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PENSIONS, INSURANCE AND RE-ESTABLISHMENT

PROCEEDINGS of the Special Committee appointed by Resolution of the House of Commons, on the 10th of March, 1921, to consider questions relating to the Pensions, Insurance and Re-establishment of Returned Soldiers, and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the Committee, etc.

COMPRISING

The Evidence taken and certain Papers submitted in connection therewith.

March 10th to May 26th, 1921.

Fifth Session of the Thirteenth Parliament of Canada

February, 1921.

Printed by Order of Parliament

OTTAWA

F. A. AGLAND

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1921

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APPENDIX No. 2

MEMBERS OF THE COMMITTEE

Hume Cronyn, M.P., *Chairman*E. W. Nesbitt, M.P., *Vice-Chairman*

James Arthurs, M.P.,
 Hon. H. S. Béland, M.P.,
 J. W. Brien, M.P.,
 T. W. Caldwell, M.P.,
 A. W. Chisholm, M.P.,
 R. C. Cooper, M.P.,
 A. B. Copp, M.P.,
 James McCrie Douglas, M.P.,
 J. W. Edwards, M.P.,
 R. F. Green, M.P.,
 A. McGregor, M.P.,

T. MacNutt, M.P.,
 H. B. Morphy, M.P.,
 C. G. Power, M.P.,
 D. L. Redman, M.P.,
 D. C. Ross, M.P.,
 E. Savard, M.P.,
 D. Sutherland, M.P.,
 Hon. E. K. Spinney, M.P.,
 O. Turgeon, M.P.,
 W. H. White, M.P.,
 J. R. Wilson, M.P.

V. Cloutier, *Secretary*

ORDERS OF REFERENCE

HOUSE OF COMMONS,

OTTAWA, March 10, 1921.

Resolved.—That a Special Committee be appointed to consider questions relating to the pensions, insurance and re-establishment of returned soldiers, and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the Committee; with power to send for persons, papers and records, to print from day to day its proceedings and the evidence taken, for the use of the Committee, and to report from time to time; and that Rule 11 be suspended in relation thereto.

Attest.

W. B. NORTHRUP.

Clerk of the House.

THURSDAY, March 10, 1921.

Ordered.—That the following members do compose the said Committee, viz: Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Cronyn, Douglas (Strathcona), Edwards, Green, McGregor, MacNutt, Morphy, Nesbitt, Peck, Power, Redman, Ross, Savard, Spinney, Turgeon, White (Victoria), and Wilson (Saskatoon).

Attest.

W. B. NORTHRUP.

Clerk of the House.

FRIDAY, March 11, 1921.

Ordered.—That the name of Mr. Sutherland be substituted for that of Mr. Peck on the said Committee.

Attest.

W. B. NORTHRUP,

Clerk of the Commons.

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TUESDAY, March 15, 1921.

Ordered.—That the quorum of the said Committee be reduced from thirteen to seven members.

Attest.

W. B. NORTHRUP,
Clerk of the Commons.

WEDNESDAY, April 6, 1921.

Ordered.—That the said Committee have leave to sit while the House is in session.

Attest.

W. B. NORTHRUP,
Clerk of the Commons.

REPORTS OF THE COMMITTEE

(1)

HOUSE OF COMMONS,
TUESDAY, March 15, 1921.

The Special Committee appointed by the House to consider questions relating to the pensions, insurance and re-establishment of returned soldiers, and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the Committee, etc., beg leave to present the following as their First Report:—

Your Committee recommend that their quorum be reduced from thirteen to seven members.

All which is respectfully submitted.

H. CRONYN,
Chairman.

On motion of Mr. Cronyn the said Report was concurred in.

(2)

HOUSE OF COMMONS,
WEDNESDAY, April 6, 1921.

The Special Committee appointed by the House to consider questions relating to the pensions, insurance and re-establishment of returned soldiers, and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the Committee, etc., beg leave to present the following as their Second Report:—

Your Committee recommend that leave be granted them to sit while the House is in session.

All which is respectfully submitted.

H. CRONYN,
Chairman.

On motion of Mr. Cronyn the said Report was concurred in. _

APPENDIX No. 2

(3)

HOUSE OF COMMONS OF CANADA,

THURSDAY, May 26, 1921.

The Special Committee appointed to consider questions relating to the pensions, insurance and re-establishment of returned soldiers, and any amendments to the existing laws in relation thereto which may be proposed or considered necessary by the Committee, etc., begs leave to present to the House the following as its Third and Final Report. The orders of reference and the authority given to the Committee are set forth at page v in the printed copy of its proceedings.

Sessions, Witnesses and Communications

Your Committee held forty-two sessions, examined fifty-five witnesses and received and despatched over 2,500 communications. In order to give thorough consideration to the various suggestions and recommendations received from over 450 different sources, two sub-committees were appointed. Those communications relating to general questions of pensions, insurance and re-establishment were referred to the sub-committee on correspondence, whose summaries are set forth in the printed proceedings. Communications of a more specific character calling for further investigation were referred to the sub-committee on special cases, composed of Messrs. Nesbitt, Brien and Copp; and, in this connection, your Committee desires to acknowledge the painstaking work of these members, frequently entailing lengthy meetings and requiring the examination of 151 different files with the assistance of the Commissioners and Officers of the Pension Board and of the Department of Soldiers' Civil Re-establishment who were present on each occasion. While there may be some doubt concerning the jurisdiction of your Committee to act as a Court of Review, there can be none on the excellent service rendered by those named above. Mention should be made also of the efficient assistance given to your Committee by the Officials of the Board of Pension Commissioners, of the Department of Soldiers' Civil Re-establishment Soldier Settlement Board, Departments of Labour and Militia and Defence, the Superintendent of Insurance, the Soldiers' Insurance Branch and by Mr. C. G. MacNeil, of the Great War Veterans Association of Canada.

Review of Past Effort and Expenditure

Before dealing with the immediate subjects referred to your Committee, it will be of interest to review briefly the effort and expenditure made by the people of Canada through the Federal authorities on behalf of those who took part in the war. A comprehensive statement on these subjects will be found in the report of the Special Parliamentary Committee on Re-establishment issued on October 31, 1919. It is not the intention to repeat what was then said, but rather to present in a condensed form the more striking features relevant thereto. The figures quoted, unless otherwise indicated, cover expenditures, including cost of administration, to the 31st of March, 1921. They are expressed in round amounts, and no doubt fall short of a full accounting:

1. War Service Gratuities, including those paid to Canadians who served in the Imperial Forces (exclusive of administration cost) approximately. \$164,000,000.00
2. *Pensions for death and disablement*—

Number of pensions in force.	70,711
Including wives and children, number of persons receiving benefits from same.	150,753
Total expenditure for pensions, gratuities in lieu of pension and in settlement of pensions to those with less than 15 per cent disability.	\$ 91,000,000.00

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3. *Re-establishment—*

- (a) Medical treatment for one year after discharge for those suffering from any disability whether due to service or not and thereafter for those suffering from war disabilities or a recurrence of same.
- (b) Vocational training for the disabled and for those who enlisted under the age of 18.
- (c) Pay and allowances to those mentioned in above categories.
- (d) Loans to vocational students, etc.
- (e) Care of the blind.
- (f) Post discharge dental treatment.
- (g) Artificial limbs and other appliances.
- (h) Employment services.
- (i) Relief measures during winters of 1919-20 and 1920-21.

Total expenditure on above from inception of the Military

Hospitals Commission... ..\$102,300,000.00

4. *Land Settlement—*

Number of official applications	59,000
Number of applicants qualified	43,000
Number of applicants who were granted loans . .	19,800
Area of land cultivated	973,000 acres
Area of land newly broken by soldier settlers . .	194,000 acres
Loans granted	\$80,000,000.00
Total expenditure on above, after deducting repayments of principal	\$82,600,000.00

NOTE.—This sum will be further reduced by payments of principal, with the result that a large proportion of the moneys advanced by the Dominion will eventually be repaid.

5. *Soldiers' Insurance—*

Policies in force	2,371
Premiums received	\$ 95,000.00
Liability on claims made	121,000.00
Liability on policies in force	7,074,000.00

NOTE.—The liability on policies in force will be largely reduced by premiums to be received.

6. *Transportation of dependents from Overseas—*

Expenditure (exclusive of administration cost)... ..\$2,800,000.00

7. *Redemption of Sterling Funds at par—*

Amount redeemed to date (cost not yet ascertained).. \$14,400,000.00

8. *Preferment in appointments to Government Service—*

Permanent appointments	8,000
Temporary appointments	29,000

9. *Summary of Expenditures—*

Gratuities	\$164,000,000.00
Pensions	91,000,000.00
Re-establishment	102,300,000.00
Land Settlement	82,600,000.00
Transportation	2,800,000.00

Total... ..\$442,700,000.00

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As already mentioned, the above is by no means a complete accounting of the expenditure on behalf of the returned man. It can be stated with confidence that there has been expended to the end of the last fiscal year, that is to March 31st, 1921, from four hundred and fifty to five hundred millions, and in those figures no allowance is made for the sum voted for the Federal Housing project or for the moneys disbursed by provinces and municipalities or through the various Veterans' Associations, the Patriotic Fund, Red Cross and other voluntary societies.

It is not so easy to forecast the future Federal yearly liability; much will depend upon a return to normal conditions throughout the country at large. The Pension bill, including cost of administration, will hardly be less than \$33,000,000.00; the other activities of the Department of Soldiers' Civil Re-establishment may total a like amount, while it is possible further large advances will be required to finance the Soldier Settlement Board. A conservative estimate of our annual expenditure in this behalf would not be less than \$75,000,000.00.

INTRODUCTORY

Turning now to the Order of Reference under which your Committee was convened, there are indicated three distinct branches of inquiry, viz.: Insurance, Pensions and Re-establishment. With the exception of the first named, Insurance—which was for the first time fully considered last Session—the subjects named have been continuously under review by Special Committees of the House of Commons, and by the House itself, during every Session of the present Parliament. The question of Pensions indeed occupied the attention of a previous Parliament, and Special Committees sat thereon during the Sessions of 1916 and 1917. It is not surprising, therefore, to find as a result of those previous inquiries, that a fund of information has been acquired and that it is the exception to have any wholly new problem submitted. Notwithstanding this condition there were brought to the attention of your Committee many questions connected with each branch of its inquiry. This is in part evidenced by the fact that, exclusive of the individual cases mentioned at the outset, there were laid before the Committee more than 250 separate specific suggestions, suggestions which dealt with almost every conceivable aspect of the national life in relation to the ex-service man.

Thanks to the efforts of the secretarial staff of the Committee, whose working hours knew no limit, each one of these received due and careful consideration. It is obvious, however, it would but burden the record to set out here all these suggestions. With the exception, therefore, of a few of the more important, concerning which your Committee felt an expression of opinion was desirable, the report deals only with those matters whereon the Committee was able to recommend positive action or towards which it wished to direct the attention of the Government. Among the latter are questions embracing so wide a field, they might well have been the sole subjects of inquiry throughout the Session by separate Special Committees.

It is well to emphasize the fact that the mere absence of an expression of an opinion does not indicate a failure to consider any one of the many suggestions received. Once more let it be repeated that each and every one of these was submitted to, discussed by, and decided on by your Committee. If then those who are interested in a special question submitted to the Committee find no reference thereto in this report, they may understand the Committee found itself unable to make any recommendation on the subject.

PART I.—INSURANCE

1. Under the Act passed at the last Session it has been possible since September 1st, 1920, for returned soldiers, sailors and nurses resident in Canada, without medical examination, to insure their lives with the Dominion of Canada up to a

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maximum of \$5,000 each. As earlier stated, by the end of March last nearly 2,400 contracts had been completed. Of these 910 were for the maximum sum of \$5,000; each; 659 for \$1,000; 351 for \$2,000; 234 for \$3,000 and the remainder for varying amounts. The total liability on these policies is somewhat in excess of seven million dollars; nearly \$95,000 have been received in premiums and by reason of the deaths of those assured, claims amounting to over \$120,000 have either been settled or are awaiting adjustment. Further statistical information on this subject will be found on pages 22 to 24 of the printed evidence.

2. It should be kept in mind that the primary object of the Returned Soldiers' Insurance Act, is to enable those whose health has been impaired by service to procure at actual cost, and without regard to their physical condition, some measure of protection for their dependents. The welfare of these dependents is accordingly safeguarded by various provisions of the Act which by their very nature limit its scope and distinguish the relief it affords from that derived under ordinary insurance contracts.

3. It will be noted from the statistics mentioned, that a proportionately small number of returned members of the forces has yet taken advantage of the benefits conferred by the Act. Your Committee is of the opinion that this is partly due to misunderstanding and lack of appreciation among returned soldiers generally of the benefits that may be obtained. Evidence was submitted indicating that while a large amount of printed matter has been distributed and many avenues of publicity used, there are yet many individuals to whom this insurance would be of advantage who are unaware of its benefits, due in a measure to the difficulty of explaining insurance except by personal interview. It is felt that in view of the fact that applications for this insurance will be received only for a limited period, suitable action should be taken to ensure that all persons eligible shall have had a reasonable opportunity to obtain it before the expiration of that period. Your Committee is not in favour of the appointment of agents, on a commission basis, or of any action that might tend to obtain applications under pressure, but recommends that the Board of Pension Commissioners and the Department of Soldiers' Civil Re-establishment, jointly select a sufficient number of returned soldiers to fully explain, by way of addresses and otherwise, the details of the Act throughout the Dominion.

4. The following suggestions submitted to your Committee, in certain instances by the Board of Pension Commissioners who are charged with the conduct of the enterprise, and in others by the Soldiers' Associations or individuals, have been approved.

(a) That the provision in the Act confining insurance contracts to those members of the Canadian forces who reside in this country be abrogated and that such members, no matter where resident, be entitled to insure under the Act.

(b) That upon the death of the assured the initial payment under the policy, instead of being limited to one-fifth of its face value, shall be \$1,000 or the full amount of the policy if the latter be not in excess of \$1,000.

(c) That section ten of the Act be so amended as to permit payment to the wife of the assured when such wife is not pensionable although other dependents of the assured are awarded pensions.

(d) That section ten be further amended to cover the cases of those in receipt of pensions from other than Canadian sources.

(e) That regulations under the Act be framed to provide that the approval by the proper officer of an application for insurance and receipt of the initial premium due thereunder shall, in the absence of fraud, have the same effect as delivery of the policy to the assured. Cases already dealt with affected by such regulations to be reviewed.

(f) That arrangements be made whereby pensioners insured under the Act be given the option of assigning their pensions or a portion thereof towards payment of premium.

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The necessary amendments to the present Act to carry out the above suggestions have been incorporated in a Bill, a copy of which is attached.

5. The suggestions outlined are in the main self-explanatory but in connection with the second one mentioned (*b*) it may be said that under the law as it now stands the maximum amount of insurance payable in one sum at death is one-fifth of the face value of the policy, the balance being paid as an annuity for a period of years the shortest of which is five years. Under a \$1,000 policy, therefore, only \$200 is payable at death, while only \$100 is paid when the policy is for \$500. It is evident that the sums mentioned are insufficient to meet ordinary funeral expenses and that the annuity payable under a small policy is too small and spread over too long a period to effect the maximum benefit. All amounts in excess of \$1,000 will still be payable as an annual income and the principle of safeguarding the interests of beneficiaries, laid down by your Committee last year, is not departed from in recommending this amendment.

6. Numbers of further suggestions were received, all of which were given careful consideration, but upon which your Committee was unable to reach a favourable decision. One of the more important of these was that the period for receiving applications be extended. Under the present law this insurance is available until September 1, 1922. The Committee is of the opinion that with the facilities herein suggested for giving publicity to this measure every person will have had a reasonable opportunity of effecting insurance before that date.

PART II.—PENSIONS

1. Following the recommendations made by the Special Committee of last Session, pensions to the disabled, to widows and to dependent parents resident in Canada were increased for a period of 12 months from 1st September, 1920, by a bonus of 50 per cent over the basic rates fixed by Parliament in 1917. Further increases not by way of bonus were at the same time granted in respect of wives and children.

As a result, since the date named, the totally disabled unmarried man whose rank is below that of a Captain, has been in receipt of \$75 a month, or \$900 per annum; if married but without children, \$100 a month or \$1,200 per annum, and if married with 3 children of pensionable age \$137 a month or \$1,644 per annum.

The widow of a deceased soldier of the above rank without children, is in receipt of \$60 per month or \$720 per annum; while her allowance has been increased for each child of pensionable age by the same amount as that allowed in respect of the children of the totally disabled pensioner.

2. The question of continuing this bonus as a temporary or permanent addition to pensions, of increasing or diminishing it, was one of the most important with which your Committee had to deal. Much evidence and many representations on the subject were received and carefully considered. Independent opinion was expressed that the present rates for the totally disabled and widows were in most localities sufficient for the purpose for which they were designed, although as in former years leaving little, if any, surplus to meet extraordinary expenses incident to illness or accident.

The Department of Labour prepared for the use of the Committee the chart attached to this report setting forth the entire cost of living for the average family of five persons. This is based on the retail prices and rentals prevailing in the cities of Canada, and covers a period from 1913 down to March of this year. The items forming the aggregate total are rent, fuel, food, clothing and sundries. The last-named item includes a modest allowance for life insurance premiums. Rent, fuel and food, make up about two-thirds of the total, and notwithstanding some fall in the price of foods, the increase in rentals and cost of fuel maintains this major portion of the budget at much beyond its pre-war level.

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As will be noted, the peak of high prices was reached during the middle of 1920 when the family budget was double that of the average of 1913. Since September last there has been a sensible and accelerating decline until in March the level reached corresponds to that of the last quarter of 1919.

Other charts prepared by the same Department show the trend of wholesale prices over a longer term of years. The decline in these has been sharper and more rapid than in the retail trades and affords ground for hope that before long the consumer will secure some further measure of relief.

Taking into consideration the above and the fact that the present bonus was not in force during the period when prices were at the maximum, your Committee recommends that it be continued for a further period of 12 months, that is until September, 1922. Before that date arrives it is possible that living conditions may adjust themselves to a point which will justify its modification.

3. Last year's decision confined the 50 per cent bonus to pensioners resident in Canada; for those resident elsewhere the former bonus of 20 per cent was continued. Strong representations were made against the discrimination thus shown, and stress was laid on the allegation that recruiting missions in the United States made definite promises that men enlisting in that country would receive the same benefits as Canadian residents. Many of those who thus enlisted returned after service to their homes in the Republic; some sought the advantage to be derived from special climatic conditions, while others found it easier to obtain employment South of the line.

The position of pensioners living in the United States was further aggravated by the discount on Canadian funds in which currency their pensions are payable.

Your Committee recommend that from and after the first of September next, the bonus to pensioners, resident outside of Canada, be the same as that payable to those living in this country, but that the practice of paying all pensions in Canadian funds be continued.

The increased liability incurred by this recommendation is estimated at slightly more than \$650,000 per annum divided about evenly between disability pensioners and widows or dependent parents.

4. (a) The position of widowed mothers in relation to pension has received the attention of every previous Committee and has, as well, been discussed by the House during this and former Sessions. The widow of a soldier receives her pension as of right, wholly without reference to her financial position. A widowed mother, on the contrary, has heretofore by our Pension Law been called upon to prove as a condition precedent to award of pension, substantial dependency—either actual or prospective—upon her deceased soldier son.

(b) It is suggested that this distinct variation in treatment arises from that provision of the law which binds every husband to support his wife, while save in the province of Quebec, no such legal obligation towards a mother is laid upon her son. Even in that province your Committee is advised a mother must be in need, or in the words of the Pension Act must be in a "dependent condition" before she can substantiate her claim for support.

(c) Parliament has during the past two years ameliorated the position of widowed mothers by providing that no reduction be made in the pension of a widowed mother because of her personal earnings or because she has the advantages of free lodgings, by reason of the ownership of her home or otherwise, nor if she be resident in Canada because she is in receipt of income from outside sources of not more than \$20 a month. In so far as that income exceeds the sum of \$20 a month the pension is reduced. A reduction is at present also made on account of actual contributions made by other members of the family and not less than \$10 a month is deducted on account of each unmarried son residing with her whom the Pension Commissioners consider should be able to contribute to her support.

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(d) To the above extent it will be noted there has been a departure from the original and perhaps unreasonable rule, that even the smallest income or emolument accruing to a widowed mother must be deducted from her pension. What is now urged is that a widowed mother shall be paid a pension as of right, without reference to her dependence upon her son or to her own financial resources; or to put it in another way, that widowed mothers shall be placed upon the same basis as widows.

(e) Your Committee has given this subject very earnest consideration. To abolish the existing restrictions and award pension as of right to every mother of a deceased soldier, as and when she becomes a widow, would add many millions to the pension bill. It would moreover result in the anomaly that mothers with ample income would receive an added supply from the country's treasury; while she, who is less fortunate in worldly wealth, although her sacrifice was as great, would have nothing save her pension upon which to live. That a similar anomaly exists in the case of widows does not justify the proposal and your Committee therefore is unable to recommend same.

(f) The question of deducting from pensions the contributions of children has also been carefully considered. The Committee considers that public opinion generally supports the contention that it is the duty of unmarried sons living at home to contribute to their mother's support when able. However, to do away with the objection that a widowed mother's pension is reduced on account of the sons living with her while it is not reduced on account of income up to \$20 a month, your Committee is of opinion that the law might well be modified so that the widowed mother's income is considered to include any contribution from children with or away from her; thus providing that on account of such contributions up to \$20 a month no reduction from pension will be made.

Estimated yearly liability on this account, \$17,600.

5. The Committee of last session recommended an increase up to the C.E.F. scale in pensions payable in connection with former military service. By some oversight the amendments to the Pension Act failed to cover all the cases of those who died or were disabled on military service in Canada prior to August, 1914. Your Committee recommends that this error be now rectified, the estimated yearly liability being \$13,500.

No other recommendation involving an increased liability is proposed.

Other Proposed Changes in the Pension Law

6. It has been represented to your Committee that in the operation of the Pension Act the following minor changes in its wording are advisable, from an administrative point of view:—

(a) By more clearly defining that deaths or disabilities to become pensionable hereafter must be attributable to military service as such;

(b) By limiting the time up to which pension shall be awarded to the dependents of a member of the forces whose death on service was due to misconduct.

(c) By providing that a pensioner whose disability has been reduced to within Classes 19 and 20 (fourteen to five per cent inclusive) be allowed the option of accepting a final payment in lieu of pension.

7. The proposed bonus and suggested amendments to the Pension Act mentioned above have been incorporated in a Bill, copy whereof is attached.

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General

8. Your Committee received many suggestions on subjects other than those dealt with above. While, as stated earlier in the report, it would serve no useful purpose to set all of these out, yet due consideration was given to each. The following appeared of special importance:

Suggestion (a).—"That the Department of Soldiers' Civil Re-establishment continue pay and allowances until pension becomes operative."

A considerable amount of evidence was given to your Committee on this suggestion when it was shown that cases of delay in awarding pension occurred even under the best ordered procedure. To prevent hardship in any case in future, your Committee is of opinion that arrangements be made in cases of discharge from sanatoria of former members of the forces suffering from tuberculosis, whereby the Department of Soldiers' Civil Re-establishment shall pay the equivalent of a ninety per cent pension until such time as pension is awarded. Your Committee is of opinion that the regulations now in force will enable the Department to put this into effect without further amendment to the Pension Act.

Suggestion (b).—"Pension to be awarded for old age disability."

This question was pressed more strongly than in previous years. It was pointed out by the Commissioners that where senility has been hastened by service, pension is awarded. Your Committee is of opinion that the time will shortly arrive when circumstances will point to the necessity of very serious consideration being given to the soldier without pensionable disability who is unable, through age or infirmity, to care for himself.

Suggestion (c).—"That full disability pension be awarded to blind veterans whether this disability was due to service or not."

The policy of the Pension Board in this matter is as follows:

(i) A man blind in one eye previous to enlistment, who saw service overseas, which caused blindness in the second eye, will receive a full disability pension.

(ii) A man blind in one eye as the result of service, who subsequently loses the sight in the other eye through some sympathetic trouble from the first eye, will receive a full disability pension;

(iii) A man with eyesight in both eyes previous to enlistment, who had overseas service, through which he lost the sight of one eye, and subsequently loses the sight in the other, from causes in no way related to service or to the injury to the first eye, will receive a seventy per cent pension;

(iv) A man with impaired vision in one eye prior to enlistment, whose service overseas causes blindness in the other eye, and who subsequently, from causes in no way related to his service, loses the sight of the defective eye, will receive pension at not less than seventy per cent. In some cases such as this and approximating more closely to example (i) above, he may receive pension at a higher rate. Such cases as these can, however, be decided only on their merits.

(v) All of the above examples will, when totally blind, receive an additional allowance for helplessness.

An amendment to the Act in this respect is unnecessary.

Suggestion (d).—"That pension be awarded to a widow married after the appearance of the disability if the marriage takes place six months before death."

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This suggestion received the very earnest consideration of your Committee and the administration of the law in this respect by the Pension Board was thoroughly inquired into. As the law now stands, a woman who marries a soldier after the appearance of the injury or disease which resulted in his death, is not entitled to pension but the children may be awarded pension at orphan rates. This suggestion has been before former Committees which did not recommend any material alteration. Under the Returned Soldiers' Insurance Act a disabled man can protect his wife by taking out insurance on his own life. Your Committee was unable to reach a decision in favour of the suggestion.

Suggestion (e).—"That the time limit of five years within which the widow and children of a pensioner in classes one to five be awarded pension, whether death be due to service or not, be deleted."

It may be pointed out that pensioning the dependents of pensioners in classes one to five who died from any cause whatever, was done with the idea of continuing the principle of insurance, as on service, in favour of the high disability cases. Life insurance can now be obtained under the Returned Soldiers' Insurance Act, and your Committee is therefore not in favour of adopting the suggestion.

Suggestion (f).—"That no reduction be made for any disability shown to have existed prior to enlistment."

No reduction is made under the existing law in the case of a man who reached a theatre of actual war, unless such disability was wilfully concealed, was obvious, or was not of a nature to cause rejection from service.

At present also these men suffering from tuberculosis on enlistment, who served three months in Canada without a breakdown, are pensionable in full with a maximum deduction of ten per cent only on account of disability existing prior to enlistment. Thus they receive a ninety per cent pension. Those men suffering from tuberculosis with less than three months' service are pensioned for any aggravation of this disability on service. Your Committee is of opinion that no further amendment is necessary in connection with this.

Suggestion (g).—"That dependents be pensioned when soldier dies from loss of vitality due to war service."

Evidence was not lacking that, perhaps to an increasing extent as the war recedes, the abnormal strain, occasioned by service in the trenches renders an ex-soldier more liable to disease and tends to hasten his demise. It is clear that each case must be examined in the light of the deceased's life record and in the final analysis the Commissioners must be guided largely by medical opinion. Your Committee suggests that a sympathetic and generous view be taken of claims made under such circumstances.

Suggestion (h).—"That pension be paid to wives of families of these men, 1st who prior to enlistment had abandoned their families and were killed on service; 2nd, who during the war were declared deserters and have since failed to reappear or, 3rd, who after being pensioned have left their homes."

The objections to awarding pensions in these cases are so well founded your Committee is unable to make any recommendation. As to certain of those falling under the 2nd, and much more numerous class, it appears possible that arrangements can be made to protect the Dominion against loss by means of a sufficient bond of indemnity. It is suggested that the negotiation towards that end initiated by the Committee should be continued.

Suggestion (j).—"That commutation of pensions above 14 per cent be made optional, and that all commutations be calculated on an actuarial basis."

Following the recommendations of last year's Committee those in receipt of pensions of less than 15 per cent were given the option of accepting a fixed amount in cash in settlement of future pension payments. To term such an arrangement a

commutation of pensions is misleading. The maximum amounts available were set out in the Act and were obviously of less advantage to the younger pensioners and to those with wives and pensionable families. Your Committee has reason to doubt the wisdom of the step taken last year and is opposed to a further extension of this plan.

PART III.—RE-ESTABLISHMENT

1. This branch of your Committee's inquiry comprised, as was to be expected, the more numerous, and weightier problems, in relation to ex-service men, which confront the country. Of the resolutions, suggestions and communications submitted by soldier organizations and others, considerably more than one-half had reference to the above subject. It is a matter of some difficulty in dealing with these questions to present them in an adequate manner in a report such as this. Many of them are so interrelated that it is impossible to deal with them separately and recourse must needs be had to a broader method of treatment than may appeal to those interested in some particular aspect or phase of the situation.

2. In view of the above, it is proposed, in opening the question, to consider, as a whole the position of the ex-service man in so far as he may be interested in the general subject of re-establishment involving as that does the questions of unemployment and the after-care of the disabled, whether needed for the tuberculous, the amputation or the problem cases.

3. Since last session the world at large has reached an acute stage in the distress which inevitably follows all great wars. The inflation of currency, notorious in both allied and enemy countries, and the inability of most of the European nations to meet their expenditure out of current revenue have produced suffering and hardship everywhere. Although in Canada the situation is incomparably better than abroad, yet a process of deflation can never make for comfort and the less so when there is added to the direct financial obligations of the war the heavy railway deficits assumed by the Dominion.

Gratuities and Loans

4. Representations were made to your Committee in favour of a further general cash gratuity and advocating financial assistance in the shape of loans or grants in aid of many varied forms of re-establishment. In the main, these suggestions followed the lines adopted in previous years although additional and sometimes novel reasons were adduced. Your Committee for the reasons given in the report of the Special Committee of last year—reasons which have lost nothing of their strength by subsequent developments—is unable to report favourably on either head.

Housing

5. The adoption of a Dominion plan for the erection of houses was strongly pressed upon the Committee both by personal representations and by means of numerous telegraphic appeals. It was suggested that this might be accomplished in one of two ways: first, by enlarging the original Federal Housing Project whereunder the Government appropriated the sum of \$25,000,000 to be loaned the provinces; or second, by setting aside a special sum as a housing loan to ex-service men.

6. There will be found at pages 538 to 559 of the printed evidence a series of comprehensive reports on this and kindred subjects, presented by Mr. Thomas Adams. From these it appears that the second plan proposed might involve an expenditure of \$50,000,000 to be disbursed through the Soldier Settlement Board in loans not exceeding \$5,000. As a check on reckless borrowing it was suggested that each applicant must be prepared to meet one-fifth of the cost of his lot and building out of his own resources.

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7. The original Federal project has been taken full advantage of by four of the provinces; two have as yet a certain amount of unexpended credit, while three have failed to avail themselves of its terms. In the Province of British Columbia the plan was utilized for the benefit of ex-service men, while in some of the other provinces the percentage of loans to soldiers ran as high as 80 per cent of the total amount advanced.

8. A strong belief was expressed that a measure of this kind would go far to check unemployment and might, as well, render unnecessary further forms of relief which no matter under what name are productive of deplorable results. After many and lengthy discussions, your Committee agrees that the Government would be well advised to consider favourably an extension of its original project for the purpose of erecting houses for ex-service men.

Employment of Disabled

9. A widespread condition of unemployment bears hardly enough on the sound man, but its trying effects are intensified in the case of those who, through wounds or disease are not in a condition to compete in the labour market. The situation in this respect is recognized in many countries where different attempts have been made to find a remedy. In Great Britain the plan was tried of a voluntary appeal to employers and by the establishment of an honour roll. In Germany a stringent law has been enacted which compels every employer to find work for a certain percentage of disabled men. In Canada the disabled man in many cases has been found employment, but too often, particularly where there is a large surplus of available labour, he is passed by.

10. In the report of last year attention was called to the increased cost and risk placed upon an industry by reason of employment of disabled men and the suggestion was made that the Department of Soldiers' Civil-Re-establishment should endeavour to formulate a plan whereby the opportunities of employment for disabled men should not be lessened.

11. Pursuant to that suggestion the Department has conducted an investigation into the subject, the result of which has been placed in the hands of your Committee. The situation in this country is rendered more difficult by the varying laws of the different provinces which deal with the compensation due to injured workmen. Your Committee recommends that for a period of three years from September 1st, 1921, the following suggestion submitted by the Department should be adopted:

That the Government of Canada should assume the liability imposed upon employers of disabled former members of the Forces to whom a pension of 20 per cent or over is payable by the Government of Canada, in respect of disabilities received in or attributable to the Great War when such former members of the Forces meet with industrial accidents, subject to the following regulations:

(a) That on an accident occurring to any such pensioner in Canada and compensation or damages being assessed by any Workmen's Compensation Board of any province in Canada, or by any court or other authority against the employer of such pensioner in respect of such accident, the Minister of Finance shall pay out of any unappropriated moneys in the Consolidated Revenue Fund of Canada, the total amount of compensation or damages awarded.

(b) That the administration of these regulations shall be in the hands of the Department of Soldier's Civil Re-establishment by whom all awards under this authority shall be approved before any payment is made.

(c) That the Minister of Soldiers' Civil Re-establishment be authorized to issue regulations covering procedure and any other matters not contrary to the foregoing general authority.

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Provided that any employee in the service of His Majesty who is injured and the dependents of any such employee who is killed, and who are, on account of such injury or death entitled to compensation under the provisions of Chapter 15 of the Statutes of Canada, 1918, shall not, either for themselves or their employers be entitled to the benefits granted under the above provision.

12. The Government of Canada being one of the largest employers in the country should set an example in this respect and your Committee therefore recommends that the Civil Service Commission prepare and maintain a special list of those desiring employment in the public service who have been disabled in the war and that in all examinations for entrance to the service the disabled who possess the necessary qualifications be placed ahead of all other candidates.

A further amendment to the Civil Service Act which meets with the approval of your Committee is rendered necessary by the ruling that the Act as it stands does not permit the preference in appointments to the public service to be extended to those members of the Canadian Navy who served on the High Seas but not in European waters.

Amendments to the Civil Service Act requisite to carry out the above are attached to this report.

13. Your Committee further recommends that in the event of reductions in the staffs of the Canadian National Railways or the Canadian Government Merchant Marine ex-service men as far as possible be not discharged.

14. It was suggested to your Committee that expenditure on public works and the purchase of supplies on behalf of the Government should be regulated in such a manner as to counterbalance in some degree periodic business depression and consequently unemployment of returned soldiers.

It would be difficult to justify in times like the present, any expenditure of public funds except where there is absolute necessity coupled with a return in the form of increased efficiency and production. The suggestion, however, does not demand additional expenditures, but merely the regulation of such as must be made.

Your Committee believe that so far as may be possible the various governmental departments should work together towards this end.

15. It was suggested also that immigration should be so regulated as to prevent an aggravation of unemployment conditions.

The Federal authorities have for some months past been making special efforts in this direction. Your Committee feels too great care cannot be exercised in the selection of immigrants from certain European States, but as this question does not directly pertain to the subjects before the Committee it makes no recommendation thereon.

16. A resolution presented by the G.W.V.A. asked that steps be taken to enforce the establishment of Provincial and Local Advisory Councils in conjunction with the employment service of Canada. It will be readily understood that a move of this kind can only be made with the co-operation and consent of the Provincial authorities. Your Committee is advised that negotiations are in progress with all the provinces; that some of these have already appointed both Provincial and Local Councils while others have as yet authorized but one of these bodies. The Trades and Labour Congress, Manufacturers' Association and G.W.V.A. are working in concert with the Federal Department of Labour to bring about the desired result.

Problem and Handicap Cases

17. The Committee's report of last session contained the following paragraph under this head:

"With regard to Problem Cases in general, the time during which the experiments referred to in the report of the Sub-Committee have been in

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operation is not sufficiently long to warrant any definite recommendation. Your Committee considers that it would be in the interest of the work that the matter be left where it is for another year, when it may be possible to submit a concrete proposal embodying plans of a permanent character."

During the intervening period the Department of Soldiers' Civil Re-establishment has conducted the experimental handling of these cases under provisions of Order in Council P.C. 2328, the methods adopted being as follows:—

In the province of Ontario, workshops providing occupation under special conditions set up to meet the needs of the individuals were established in Toronto, London, Hamilton, Brantford and Kingston.

In British Columbia, the department operated farms as instructional centres, and farm colonies for the care of problem cases. These colonies as respecting problem cases, were not in the opinion of the department a success.

In the province of Quebec, a Memorial Workshop was established by the co-operation of various societies, and this workshop has taken care of problem cases without any assistance from the department, other than providing a building for this purpose.

In the other provinces they have been taken care of and given light employment under the immediate supervision of the District Officers.

18. The value of the work done in this connection by the department is evidenced by the large number of men who were felt to be unemployable, having been placed in employment. It is possible that some of these will again come on the strength but an effort is made as soon as a man is capable of taking employment outside, to provide same for him.

It should also be borne in mind that for a considerable number of years, men who are now in employment will be unable through their disabilities to continue in competition with fit men, in the ordinary labour market, and many need a period of sheltered employment before being able to go back to outside work.

It is felt, however, that in view of the nature of the provision required, some agency other than governmental should conduct workshops similar to those being operated at the present time by the Department of Soldiers' Civil Re-establishment. Further, the matter of the cost of operating these workshops will have to be gone into very carefully with the organization to take up this work.

19. The Department has already examined into the possibility of agencies outside the Government conducting the necessary special workshops or other provisions that may be approved from time to time in accordance with the needs of various centres, and the Canadian Red Cross, who have distinguished themselves in the carrying on of war work, and who it is believed are still anxious to have their organization continue in peace work, were thought of and approached. To date the proposals, which were general in character, have not been replied to by the National Executive, but the Department has been led to believe that the proposals were well received, and that action in the way of further and more detailed negotiations may be expected at an early date.

Apart from the national organization, however, certain branches have already interested themselves and indeed started to engage actively in the establishing of definite centres of occupation. The work of the Quebec branch in Montreal has been outlined above. The Red Cross of British Columbia have signified their intention of embarking on a similar project within a short time, if indeed, they have not already commenced operations.

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20. Your Committee has given careful consideration to resolutions forwarded in connection with this subject, and is of the opinion that the need for sheltered employment has been established. Your Committee, therefore, goes on record as being in agreement in principle with the requests submitted by the G.W.V.A., the G.A.U.V., and the Victoria Branch of the Canadian Red Cross.

From all evidence submitted, it would appear that experiments conducted in other countries, as well as in Canada, are not such as to lead to the belief that farm colonies under supervision would have any prospect of success. Your Committee, therefore, was unable to agree that the Government should embark on a definite scheme of farm homes. Your Committee believes that in the "Vetcraft" Shops now being operated by the Department of Soldiers' Civil Re-establishment lies the most feasible scheme for the provision of sheltered employment in the larger centres of population.

21. The recommendations of your Committee, therefore, are as follows:—

1. (a) That the Department of Soldiers' Civil Re-establishment continue negotiations with the Red Cross or other organization, to provide for the establishment under the administrative control of the association or organization, such undertaking as may, in the opinion of the department, be considered to be advisable.

(b) That until an organization of a definite nature is established, the department continue to care for these cases as at present.

2. As respects financial assistance by the Government additional to pension payments to individuals, it is felt that any decision can only be made after further negotiations with the Red Cross or other organization undertaking the work. It is, therefore, recommended that such negotiations continue, and so soon as a definite basis of assistance is reached the proposal be placed before the Government for final approval.

After-Care of Tuberculous

22. Several representations respecting the after-care of tuberculous ex-soldiers were placed before your Committee. A resolution from the Great War Veterans' Association "that a definite scheme for the after-care of the tuberculous be placed in immediate operation," generally covers the subject of all, excepting those having to do with personal representations.

The report of last year stated that a Board of five specialists in tuberculosis were investigating this problem and suggested that a definite scheme for after-care, including the co-operation of voluntary organization, might later be forthcoming.

23. That board after inspecting the twenty-six sanatoria, and other institutions in Canada, where tuberculous ex-service men are being cared for, and after having made other investigations pertinent to their study of the subject, prepared several reports which were submitted to the Department of Soldiers' Civil Re-establishment. The last of these published in December was placed in the hands of your Committee. It is a most comprehensive document, which deals exhaustively with the care and employment of the tuberculous ex-service man, after his discharge from sanatorium. This report will doubtless take high rank in the medical world. It has served as a basis upon which consideration was given to the subject in hand.

It is recognized by your Committee that sanatorium treatment alone and unaided cannot produce the best and most permanent results and that consequently a system of after-care is essential if the results that sanatorium treatment does achieve are to be consolidated.

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24. Numerous individual suggestions from various sources were placed before your Committee with regard to what should be provided for the after-care of the tuberculous. Certain of these had reference to the provision of an increased pension scale, and a supplementary allowance for the benefit of the tuberculous. Your Committee feels that neither of these can be endorsed, in view of the recommendation of other suggestions which make them unnecessary.

It is felt that an adequate minimum pension either for a period of years or permanently is desirable in the case of the tuberculous. This recommendation is limited in its application to ex-service men with a definite diagnosis of tuberculosis based on approved standards.

25. It has been demonstrated to the satisfaction of your Committee that the majority of tuberculous ex-service men will require skilled medical advice and supervision for as long as they live. This supervision should be available for tuberculous pensioners as well as out-patients of the Department of Soldiers' Civil Re-establishment which will necessitate an extension of the present facilities in the way of clinics and personnel designed for this purpose.

26. One of the great difficulties in dealing with the scourge of tuberculosis has been the scarcity of medical experts and the absence of facilities for properly training these members of the profession who desire to qualify in this respect. The same condition exists with regard to the nursing staff. Complaint on the above heads has been voiced to previous Committees and was again brought to the attention of your Committee.

27. There was established some years ago on the Muskoka lakes, a comparatively small institution known as Calydor Sanatorium. It has been since its inception and is now under the charge of Dr. C. D. Parfitt, who is recognized as a leading expert and authority on tuberculosis. Owing to limited accommodation, two-thirds of the applicants for treatment in that institution during the past three years have been refused admission. The Department of Soldiers' Civil Re-establishment has been able to place a strictly limited number of patients at Calydor and it is desirable that there should be made available to a greater number the unequalled facilities afforded by the personnel and equipment of this institution for differential diagnosis and instruction. Your Committee recommends that the Department be authorized to make arrangements with the directors of this sanatorium whereby it can be more extensively used for the purposes set out above. Such an arrangement will probably entail an extension of the present building sufficient to accommodate some 40 extra patients.

Provided this additional space is placed at the disposal of the Department for a satisfactory term of years, your Committee agrees that one-half of the cost of the extension should be paid out of public funds.

28. It has been impressed upon your Committee that on therapeutic, economic and moral grounds, every ex-sanatorium patient, who is even partially fit should be suitably employed. Opportunities for suitable employment available to the average type of ex-sanatorium patient are extremely rare in the ordinary labour and industrial markets. Philanthropists occasionally employ a few but for the majority, opportunities for sheltered employment are only available if artificially created. Accordingly there is a real justification for the inclusion of sheltered employment in any well-balanced system of post-sanatorium care of the tuberculous.

29. It has been urged and your Committee agrees that the provision of sheltered employment for the tuberculous should be in the hands of some approved non-Governmental agency. The State should, however, recognize its responsibility to the ex-service tuberculous patient by initiating sheltered employment and by offering the financial assistance required for the establishment of industries and for the medical supervision of the patients. Your Committee recommends that the Department be authorized to conduct a survey of the tuberculous ex-service men residing in all the

large Canadian cities, and to take the necessary steps to establish a sub-standard shop to train and employ tuberculous ex-service men in any city, where the result of the survey appears to warrant it, and where an approved non-Governmental agency is available for its administration.

30. It would appear that a purely agricultural colony for the tuberculous has such narrow limits of usefulness in this country as not to warrant its establishment. Your Committee agrees, however, that an industrial colony on an experimental basis warrants trial in Canada in a carefully selected location. The proposal submitted from patients at the Mountain Sanatorium, Hamilton, in this connection is worthy of most careful investigation and consideration, with a view to the provision of the necessary financial assistance, to establish industries and provide competent medical supervision under the Department of Soldiers' Civil Re-establishment. As a permanent community or village settlement for the tuberculous is the logical complement to the training colony it may ultimately develop from it.

31. A sub-Committee composed of Messrs. Brien, Chisholm, and Green was appointed to consider the question of building model towns for disabled ex-service men.

After conferring with Mr. Mowat, M.P., whose resolution on the subject was referred by the House to your Committee, and with Mr. Adams, to whose evidence reference has already been made, and bearing in mind the recommendations set forth in the foregoing paragraphs, the sub-Committee has made the following recommendation in which your Committee concurs:—

That the Department of the Interior be asked in collaboration with Mr. Adams to make a report on the physical characteristics of a tract of some 7,000 acres across the North Thompson River at Kamloops, B.C., and on the probable cost of planning and constructing a model town thereon.

Soldier Settlement Act

The Soldier Settlement Board was created in 1917 with powers to make loans for soldier settlement upon certain terms and conditions therein laid down. The Board has been built up to a very complete and efficient organization. Nearly 20,000 returned soldiers have been settled, and loans have been granted amounting to \$80,000,000. It is estimated that two million acres of free Dominion land have been disposed of to returned soldiers under this scheme, and 8,300 of these men have been successful in locating suitable homes on lands close to railway lines. The Board appears to have produced gratifying results, both by reason of the help it afforded to returned soldiers to re-establish themselves on the land and in the larger aspect also of a colonization scheme.

There were numbers of suggestions brought before the Committee in connection with the work of this Board, only four of which require any reference. It was found when considering other suggestions put forward, that under the Act and the regulations, these were in the main satisfactorily covered.

Suggestion (a).—"That the deposit of 10 per cent necessary as a preliminary to settling on the land under the Soldier Settlement Act, be no longer required."

Recommendation.—That there be no change.

It was shown in the evidence that where the 10 per cent was waived, the amount of salvage cases increased enormously. The figures are interesting. The total salvage throughout the whole scheme shows approximately 6 per cent, but in the salvage cases where the 10 per cent was waived, it is over 24 per cent; e.g., 17 cases in Toronto office, all of which were salvaged, or 100 per cent; 103 cases in Vancouver office, of which 61 were salvaged, or 59 per cent; and in the Sherbrooke, Quebec office, the salvaging of these cases was 66 per cent.

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Suggestion (b).—"That the date of payment under the Soldier Settlement Act, be changed from October 1st to December 31st."

Recommendation.—"That the Board be given discretion to extend the thirty-day period of grace which they now allow, to sixty days, and that during this period of grace no interest be payable, if being taken that the payment is made as on the first day of October. If not paid within the period of grace, the interest must be paid."

Suggestion (c).—"That the settler, upon completion of his homestead duties be granted letters patent in the usual way, and that any money owing by him on the land to the Soldier Settlement Board be placed as a first mortgage against the title."

Recommendation.—"That the patent be issued to the Soldier Settlement Board. If this is done, the Board can then carry on negotiations with any settler who may desire to sell out his holding."

Suggestion (d).—"That settlers who are unable to make payment in the fall of any year, have their arrears amortized for the following years, instead of being charged up with arrears at 7 per cent due in the following year along with that year's payment."

Recommendation.—"That the Soldier Settlement Board be empowered to re-amortize arrears when in the opinion of the Board such action is deemed to be in the best interest of the soldier and of the success of the loan, notwithstanding that the full amount of the loan has already been advanced. No amendment to the Soldier Settlement Act is necessary to carry out this recommendation."

General

Suggestion.—"That members of the Canadian Overseas Railway Construction Corps, whose pay and allowances were deducted by reason of misconduct, should be refunded that portion of it which was in excess of punishments laid down by K.R. & O."

Recommendation.—"That the cases of soldiers in the above corps, whose working pay was forfeited by reason of misconduct should be reconsidered by the Department of Militia and Defence, with a view to the continuance of working pay to the date of the soldier's discharge, less such period, or periods that the soldier may have forfeited his ordinary pay and allowances."

Suggestion.—"That certain employees of the G.T.P. who enlisted prior to the 1st of May, 1915, be granted the difference between their army pay and the pay they would have received as employees of the Dominion Government in the service of the G.T.P."

The history of this matter dates back to the beginning of the war, and before the railway was taken over by the Dominion Government. Some nineteen men immediately obtained leave of absence and joined the overseas forces. On the 1st of May, 1915, the railway was taken over by the Dominion Government, and on the 18th of April, 1916, an Order in Council (P.C. 903) was passed which gave the employees the difference between their military and civil pay as from the 1st November, 1915. This was subsequently amended to the 1st May, 1915, the date the Government took over the railway. These nineteen men are not claiming for anything prior to the 1st of May, 1915, as they received a bonus of from three to six months' pay. They do claim, however, consideration in common with all other employees of the Government railway as provided for those who did not enlist until the Government had taken over the railway. The amount required to meet these nineteen claims will be between forty and sixty thousand dollars.

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Recommendation.—That this matter be referred to the Department of Railways to investigate, the opinion of the Committee being that a very strong case is made out on their behalf.

Suggestion.—“That the gratuities of Canadian soldiers who remained in England and had their gratuities paid there should be adjusted on the basis of Canadian currency.”

Recommendation.—That the Government carefully investigate this question from both legal and equitable standpoints.

Suggestion.—“That members of the “Polish Battalion” (Canadian born citizens) be granted the difference between Canadian rates of pay and allowances and the rates of pay and allowances which they received on service overseas in the armies of allied countries.”

The men mentioned above, of their own free will enlisted during the period of the Military Service Act, in this “Polish Battalion” rather than a Canadian Battalion, thereby forfeiting their claim to be placed on an equal footing.

Canteen Funds

Suggestion.—“That a Board of Commissioners be appointed to investigate the past and present conditions of these funds, and that the funds be disposed of for the benefit of returned soldiers and their dependents.”

Recommendation.—That this matter be referred to the Government together with the recommendations of the G.W.V.A., Army and Navy Veterans Association, and G.A.U.V., and that the Government obtain through these organizations an opinion as to the best method of the disposal of these funds.

In this matter various suggestions were received from returned soldier organizations, which the Committee considered, but on the merits of which it felt it should not decide.

Suggestion.—“That trustees of Battalion or Unit Funds be empowered to pay over to the main fund any balances in their possession, and receive their discharge.”

Recommendation.—That the Government make arrangements empowering the trustee of any such fund to pay same into the Canteen Fund.

Suggestion.—“That if an alien subject or citizen of any of the allies of His Majesty or associated powers in the Great War having been a bona fide resident of Canada, previous to the War, enlisted and served in the Army of the country of his origin, the time of such service shall in the event of his application for naturalization be deemed to be residence in Canada.”

Recommendation.—That the Secretary of State investigate this question with a view to framing an amendment to the Naturalization Act which will carry out the intent of this suggestion.

Suggestion.—“That the time for filing applications for War service gratuities be further extended.”

Under the original Order in Council, dealing with these gratuities, the applicant was called upon to file his claim by July 1st, 1920. To meet the cases of those prevented through wounds and illness from complying with this condition, the time for filing was at the last Session extended to 31st March, 1921.

Recommendation.—To cover a few cases which are still outstanding your Committee suggests that the time for filing be further extended to 31st March, 1922, upon the same conditions as are set forth in the report of the Committee of last year.

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Your Committee begs to submit herewith, for the information of the House, a copy of its proceedings and the evidence taken by it and also certain papers and records submitted to the Committee, but not contained in its proceedings.

Your Committee further recommends that the orders of reference, reports, proceedings and the evidence taken by the Special Committee on Pensions, Insurance and Re-establishment, together with a suitable index, to be prepared by the Clerk of the Committee, be printed as an appendix to the Journals, of the present Session, and that 200 copies in English, and 50 copies in French be printed and sent to the Clerk of the Committee, for distribution as instructed; also, that 1,200 copies in English, and 300 copies in French, of the Third and Final Report, of the said Committee, be printed forthwith, for distribution, in a similar manner, by the Clerk of the Committee, and that Rule 74 be suspended in reference thereto.

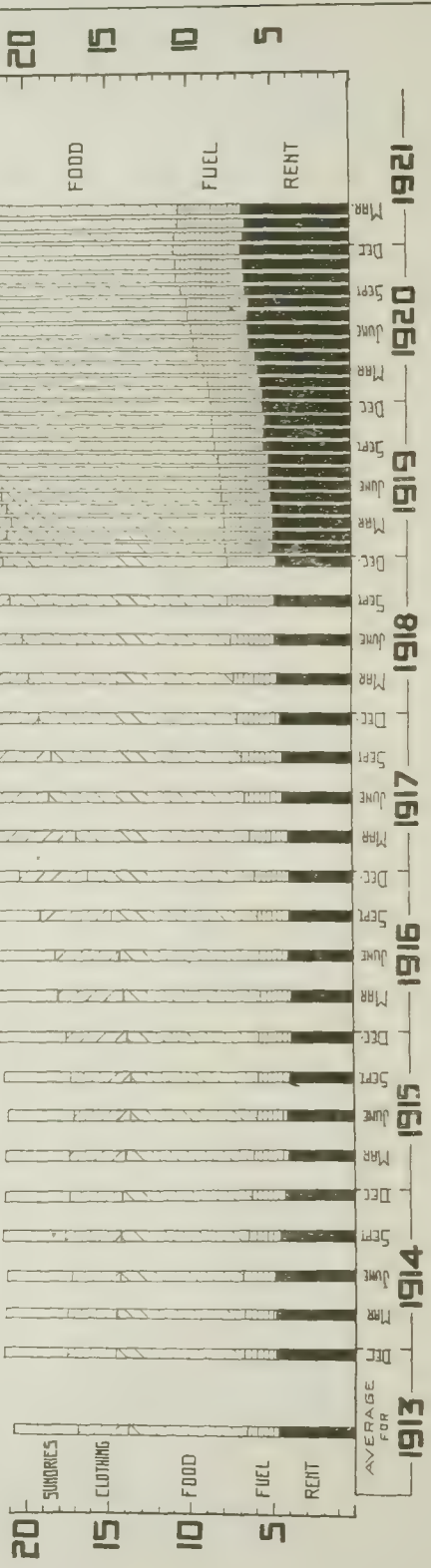
All which is respectfully submitted.

H. CRONYN,
Chairman.

NOTE.—For Mr. Cronyn's motion to consider the Third and Final Report of the Special Committee on Pensions, Insurance and Re-establishment *see* the Journals of the House, of Saturday, May 28th, at page 385; also House of Commons Debates (Hansard), of Saturday, May 28th, at pages 4171 to 4192 of the Unrevised Edition.

CHANGES IN THE AVERAGE COST IN 60 CITIES
IN CANADA OF A WEEKLY FAMILY BUDGET
BY GROUPS OF EXPENDITURES
1913 - 1921

BASED UPON THE PRE-WAR FAMILY EXPENDITURE
OF A SKILLED WORKINGMAN \$21.00 PER WEEK IN 1913



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MINUTES OF PROCEEDINGS

(1)

HOUSE OF COMMONS,
COMMITTEE ROOM 436,
TUESDAY, March 15, 1921.

1. The Special Committee on Pensions, Insurance and Re-establishment met for organization at 11 o'clock a.m.

2. *Members present:* Messrs. Arthurs, Béland, Brien, Cooper, Copp, Cronyn, Douglas (Strathcona), Edwards, Green, McGregor, MacNutt, Nesbitt, Redman, Ross, Savard, Spinney, Sutherland, and Wilson (Saskatoon),—18.

3. It was moved by Mr. Nesbitt, and seconded by Mr. Béland,—That Mr. Cronyn be elected Chairman of the Committee.—Motion carried.

4. Mr. Cronyn took the Chair.

5. Mr. Brien moved, Mr. Copp seconding,—That Mr. Nesbitt be elected Vice-Chairman.—Motion carried.

6. Mr. Nesbitt moved, Mr. Spinney seconding,—That the Secretary obtain representations in writing or synopses thereof from the G.W.V.A., the Grand Army of United Veterans, likewise from other soldiers' organizations and individuals who may ask to be heard before the Committee.—Motion carried.

7. Appointment of Sub-Committees:—

(1) On motion of Mr. Nesbitt, seconded by Mr. Edwards, Messrs. Green, MacNutt and the Chairman were appointed to determine upon witnesses to be examined for evidence before the Committee.—Motion carried.

(2) On motion of Mr. Nesbitt, seconded by Mr. Cooper, Messrs. Morphy (March 23, the name of Mr. Ross was substituted for that of Mr. Morphy), Edwards, and Redman, were appointed to consider and report upon Correspondence.—Motion carried.

(3) On motion of Mr. Béland, seconded by Mr. Green, Messrs. Brien, Copp and Nesbitt were appointed to consider and report upon specific cases submitted to the Committee.—Motion carried.

8. Upon the question of procedure and after consideration thereof, it was moved by Mr. Green and seconded by Mr. Nesbitt,—That the Committee proceed to the questions of Insurance, Pensions and Re-establishment, in the order named.—Motion carried.

9. A synopsis of all the Communications, Reports, and certain other Papers was reported by the Secretary to the Chairman. Ordered for further consideration.

10. On motion of Mr. Nesbitt, the Committee resolved to obtain leave from the House to have its quorum reduced from thirteen (13) to seven (7) members.

11. On motion of Mr. Nesbitt, the Secretary was instructed to have the Superintendent of Insurance appear before the Committee to be examined for evidence on Wednesday, at 11 o'clock.

12. On motion of Mr. Green, the Committee adjourned until Wednesday, March 16, at 11 a.m.

V. CLOUTIER,
Secretary.

H. CRONYN,
Chairman.

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(2)

COMMITTEE ROOM 435-6,

WEDNESDAY, May 25, 1921.

1. The Special Committee on Pensions, Insurance and Re-establishment met at 4 p.m., the Chairman, Mr. Cronyn, presiding.

2. *Other Members present:* Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Douglas (Strathcona), Green, MacNutt, Nesbitt, Redman, Turgeon, and Wilson (Saskatoon).—13.

3. The Minutes of the Proceedings of last meeting were read and adopted.

4. The Committee according to resolution resolved itself into executive session to consider its final report. The Committee after consideration thereof adopted the Introductory part, also Parts I and II relating to Insurance and Pensions, respectively, as read by the Chairman, with certain changes made therein.

5. It being six o'clock, the Chairman declared the Committee would sit again at nine p.m.

V. CLOUTIER,
Secretary.

H. CRONYN,
Chairman.

(3)

COMMITTEE ROOM 435-6,

WEDNESDAY, May 25, 1921.

1. The Committee met at 9 p.m., the Chairman, Mr. Cronyn, presiding.

2. *Other Members present:* Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Nesbitt, Redman, Turgeon, and Wilson (Saskatoon).—15.

3. The Committee at once resolved itself into executive session to further consider its final report. The Chairman read Part III of Draft Copy. After consideration thereof, Mr. Nesbitt moved, Mr. Douglas seconding,—That the third and final report as now read by the Chairman with the changes therein made while being considered by the Committee, be presented to the House.—Motion carried.

4. Mr. Nesbitt for the sub-Committee appointed to interview the Premier and the Minister of Finance, then presented their report, recommending that the Main Committee recommend to the Government an increase of loans to the provinces for housing, so that those provinces which have drawn their full allotment may, if they desire, increase the same. Signed by E. W. Nesbitt, J. M. Douglas, T. W. Caldwell, O. Turgeon.—Members of the sub-Committee.

On motion of Mr. Nesbitt, it was resolved that the recommendation contained in this report be embodied in the Third and Final Report of the Committee.

5. Mr. Green, for the sub-Committee appointed to consider the question of the building of model towns for disabled soldiers, etc., then presented their report, recommending that the Department of the Interior be asked for a report as to the physical characteristics of a tract of land of some 7,000 acres across the North Thompson river at Kamloops, B.C., cost of planning and construction; also, as to the possibility of its being transferred from the Department of Indian Affairs upon

APPENDIX No. 2

substitution of another tract for the Indians located there. Also, recommending that Mr. Thomas Adams' knowledge thereon be availed of by the Department and that they collaborate with him.

On motion of Mr. Green the said report was ordered, received and recommendations therein noted for the Third and Final Report of the Committee.

6. On motion of Mr. Brien, seconded by Mr. Caldwell, it was resolved that the following recommendation be also embodied in the Third and Final Report of the Committee:—

That the orders of reference, reports, proceedings and the evidence taken by the Committee, together with a suitable index, to be prepared by the Clerk of the Committee, be printed as an appendix to the Journals of the present session, and that 200 copies in English and 50 copies in French be printed and sent to the Clerk of the Committee for distribution as instructed; also, that 1,200 copies in English and 300 copies in French of the Third and Final Report of the said Committee be printed forthwith for distribution in a similar manner by the Clerk of the Committee, and that Rule 74 be suspended in reference thereto.

7. Mr. Nesbitt moved, Mr. Green seconding,—That the members of the Special Committee desire to put on record their appreciation of the impartial and painstaking manner in which the Chairman has presided. Motion unanimously carried.

8. The Committee then on motion of Mr. Nesbitt, seconded by Mr. Copp, adjourned *sine die*.

V. CLOUTIER,
Secretary.

H. CRONYN,
Chairman.

LIST OF WITNESSES EXAMINED FOR EVIDENCE

(See Index for subject and page of matter considered in the course of the evidence given by each witness hereunder set forth.)

- ADAMS, THOS., Town Planning Adviser, Commission of Conservation.
- AHERN, E. G., Secretary, Board of Pension Commissioners for Canada.
- ANDREWS, M.P., G. W.—*Re* Problem Cases and Winnipeg Soldiers' Home.
- ARNOLD, M.D., W. C., Director Medical Services, D.S.C.R.
- ATHERTON, W. H., Montreal.—*Re* Post War Military Burials.
- BARNETT, JOHN, Chairman, Soldier Settlement Board.
- BARTON, MISS K., Overseas Nurse.—*Re* the Merits of two kinds of Artificial Arms in Mr. A. L. Hall's Case.
- BLAKE, M.P., M. R.—*Re* Permanent Hospital at Winnipeg; Post Mortem Examinations and Specific Cases.
- BLAND, CHAS., Assistant Secretary, Civil Service Commission.
- BURGESS, M.D., W. A., Medical Services, Board of Pension Commissioners for Canada.
- BURNS, J., Toronto.—*Re* the Unemployment Situation in Toronto, and how Returned Soldiers are affected thereby.
- CARMICHAEL, W. J., Kingston, Mowat Sanatorium.—*Re* Treatment of Tuberculous Patients, After-care, Diet, Clothing, etc.
- COCHRANE, DAVID, Moncton.—*Re* C. N. R. Employees, Enlistment for Overseas and Re-establishment.
- CONROY, J. V. Toronto.—*Re* Unemployment Situation and how Returned Soldiers are effected thereby.
- COOPER, M.P., R. C.—*Re* Working Pay of the Canadian Overseas Railway Construction Corps and the Royal Army Medical Corps.
- COULTHART, R., Orthopædic Institute, Toronto.—*Re* Limbs, etc.
- CURRIE, MRS., J. E., Secretary I.O.D.E., Winnipeg.—*Re* Soldiers' Homes.
- DAVIS, Commissioner E. G., Pension Board of Canada.
- DOBBS, W. S., Toronto, President, Amputations' Association.—*Re* Artificial Limbs, Clothing, Pensions and Re-establishment.
- DONOVAN, C. A., Vancouver, B.C., President of the G.W.V.A. of the United Kingdom. *Re* Repatriation, Pensions, Bonus and Adverse Rate of Exchange.

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FINLAYSON, G. D., Superintendent of Insurance.—*Re* Suggested Amendments to the Returned Soldiers' Insurance Act.

FLEXMAN, E., Director of Vocational Training, D.S.C.R.

FORAN, WM., Secretary, Civil Service Commission.—*Re* Appointments of Returned Men in the Public Service.

FRASER, W. S., Hamilton.—*Re* Scheme for the Re-establishment of Tuberculous Returned Men, Garden Villages and Workshops.

GWATKIN, MAJOR-GENERAL SIR W.—Encampment of the Polish Battalion at Niagara.

HALL, A. L., Toronto.—*Re* Amputations—The Carnes Arm.

HART, DR. W. M., Specialist, Board of Consultants on Tuberculosis, D.S.C.R.—Conditions found in the Sanatorium.

KELLY, CAPT. P., Militia Department.—*Re* Pay of Men in Overseas Service,—The C.O.R.C.C. and the R.A.M.C.

LAWSON, JOHN, Accountant, Pension Board.—*Re* Additional Cost due to increase of Pension Payable to Widowed Mothers.

MABER, S., Commissioner and Secretary, Soldier Settlement Board.

MACMURRAY, E. J., Winnipeg.—*Re* Pay of G.T.P. Employees who had obtained leave to serve Overseas.

MACNEIL, C. G., Dominion Secretary, G.W.V.A.

McKAY, MRS. G. D., President, L.O.D.E., Winnipeg.—*Re* Soldiers' Homes.

McKENZIE, K.G., Toronto.—*Re* Artificial Arms.

McPHEE, A. A., Toronto.—*Re* Amputation Cases.

McQUARRIE, M.P., WM. J.,—*Re* Fishing Activities and Specific Case Relating to Colonel Regan.

MARSH, J. F., Toronto, Dominion Secretary, G.A.U.V.—Proposed Amendments to the Pension Act, and Suggestions on Re-establishment.

MORRIS, PHILIP H., Executive Secretary, Canadian Patriotic Fund.

MOWAT, M.P., H. M.—*Re* Industrial Suburbs.

MYERS, R., Toronto.—*Re* Amputation Cases.

NICKLE, K.C., W. F., Hon. Secretary, Canadian Patriotic Fund.—*Re* Post-Discharge Relief Work of the Fund—Problems respecting Cases of Premature Sinility and Rehabilitation of the Unfitted.

PARFITT, DR. C. D., Chairman, Board of Consultants, D.S.C.R.—After-care and Employment of ex-Service Men after discharge from Sanatoria.

PARKINSON, N. F., Deputy Minister, D.S.C.R.

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PECK, C. W., V.C., M.P.—*Re* Fishing Activities.

PEDLOW, M.P., I. E.—*Re* Polish Battalion.

PRESTON, A., Toronto.—*Re* the Unemployment Situation in Toronto, and how Returned Soldiers are effected thereby.

PYPER, J. R., Ste. Agathe Sanatorium.—*Re* Tuberculous ex-Members of the Forces, Pay and Allowances after discharge, Clothing, and allowance therefor, Free Medical Treatment to Dependents, etc.

RAWLINGS, DR., H. A., Pension Board for Canada.—*Re* Post Discharge Disabilities and Ratings therefor.

REGAN, J. L., Director Pay Services, Militia and Defence.—*Re* Canteen Funds' Profits.

STEVENS, M.P., H. H.—*Re* Two Special Cases, Abel Knight and Terrence Roden, Blind Soldiers, and Re-establishment therefor.

THOMPSON, COL. ANDREW, representing Army and Navy Veterans, Victoria, B.C.—*Re* Re-establishment and Pensions, etc.

THOMPSON, COL. JOHN, Chairman, Board of Pension Commissioners for Canada.

TOPP, C. B., Respecting Proposed Amendments to the Soldiers' Insurance Act.

WHITE, J., Accountant, Insurance Branch of the Board of Pension Commissioners for Canada.—*Re* Soldiers' Insurance since September 1, 1920, and Statement in connection therewith.

WILSON, M.P., J. R.—Case of one who enlisted in the C.E.F., Discharged therefrom, and re-enlisted in the R.A.F.

PROCEEDINGS AND MINUTES OF EVIDENCE

COMMITTEE ROOM 435

HOUSE OF COMMONS

WEDNESDAY, March 16, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Redman, Savard, Turgeon, White, and Wilson (Saskatoon).—18.

The CHAIRMAN: There are certain communications here to which the attention of the Committee might be drawn. One is from Mr. Mike Sullivan, now in Ottawa, regarding the position of pensioners and their dependents residing in the United States. It brings up the question of the rate of exchange, of insurance, and so on.

Hon. Mr. BÉLAND: Who is Mr. Mike Sullivan?

The CHAIRMAN: He was, I believe, a member of the C.E.F. I take it that he is an Irishman who enlisted first in the Imperial forces.

Hon. Mr. BÉLAND: Does he occupy any official position in any of the soldiers' organizations, or is he simply an individual member of the forces?

The CHAIRMAN: He states that he has been asked by an organization which exists in the United States to represent their views. I think the communication should be referred to the Committee who have to deal with the question of calling witnesses. He set out his views briefly.

The SECRETARY: I have also a communication from the G.W.V.A. relating to insurance, and also copies of letters.

The CHAIRMAN: Before we come to these, I may say I have a letter here from Mr. MacNeil, Dominion Secretary-Treasurer of the Great War Veterans' Association. It reads as follows:—

OTTAWA, March 16, 1921.

HUME CRONYN, Esq., M.P.,

Chairman,

Committee on Pensions and Re-establishment,

House of Commons,

Ottawa, Ont.

SIR,—I beg to again request the privilege of attending all the sessions of your Committee, during the hearing of evidence, as the representative of the Great War Veterans' Association.

In such capacity, the opportunity is desired to submit evidence, suggestions and queries, within your discretion, relative to the various subjects under review.

The members of the Dominion Executive Committee have instructed me to offer all possible co-operation during your inquiry, and it is believed that under the arrangement herein proposed, the views of those represented by the Association will be brought to your attention, in sequence, without in any way retarding the progress of the investigation.

I am, Sir,

Yours faithfully,

(Sgd.) C. G. MACNEIL,

Dominion Secretary-Treasurer,

G.W.V. of Canada.

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Mr. ARTHURS: I move that Mr. MacNeil have the same privileges as he had before the Committee last year.

Mr. CHISHOLM: I second that.

The CHAIRMAN: In other words, that the prayer of his petition be granted.

Mr. BELAND: Is the request similar to the one of last year?

Mr. GREEN: That raises the question we were discussing yesterday as to whether anybody else had the right to cross-examine. He asks for that right in his application.

The CHAIRMAN: In a sense the word "Query" might be translated in that way, but I do not read his letter just in that sense. It says: "The opportunity is desired to submit evidence, suggestions and queries within your discretion, relative to the various subjects under review." I think it is not an unfair request.

Mr. GREEN: I have no objection.

Mr. MORPHY: I have always appreciated Mr. MacNeil's attitude in the past. It has been consistent with conciseness of presentation of the soldiers' claims and with a knowledge that enabled us at first hand to ascertain exactly what was being put forward. It is important that that should be done through one representative rather than through half a dozen.

Mr. GREEN: I do not think that anybody on the Committee questions that. No one questions the soundness of what you say, but a discussion did arise here yesterday when it was pointed out that it was not customary in Committees of this House to allow anybody the right, as a matter of right, to cross-question witnesses. That was all I was pointing out.

The CHAIRMAN: I think the fear was that if we granted that right to Mr. MacNeil, if we considered it reasonable to do so, we might find it difficult to refuse it to representatives of other organizations.

Mr. GREEN: It might be impossible for Mr. MacNeil to get the endorsement or the authority to represent all soldiers' organizations, and he might be put in that position. However, from what Mr. MacNeil states in his communication, probably it will be all right.

The CHAIRMAN: I take it that it is the wish of the Committee that Mr. MacNeil's request be granted. There are other communications from Mr. MacNeil with regard to the matter of insurance which comes before us this morning. Mr. Finlayson, Superintendent of Insurance, is, I understand, in attendance at the Committee on Banking and Commerce, but he will be available later on.

Mr. ARTHURS: There was a suggestion yesterday that copies of the various proposed amendments should be furnished to the members of the Committee.

The CHAIRMAN: We have copies of the suggestions made by the G.W.V.A. on that point, and they will be distributed. We have here the Chairman of the Pension Board, who has brought with him Mr. White, an official charged with knowledge of the working of the Insurance Act. Whether we should first consider these proposals, the amendments suggested by the Department, and the amendments suggested by the G.W.V.A., and then call Mr. White, or whether you would like to hear Mr. White first on the general working of the Act, it is for you to say.

Mr. NESBITT: I would suggest that we hear Mr. White on the general working of the Act according to his experience in handling it for the Department and I move to that effect.

Motion agreed to.

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J. WHITE, called, sworn and examined.

By the Chairman:

Q. What position do you occupy in the department?—A. Accountant of Insurance.

Q. How long have you been in touch with the question of soldiers' insurance?—

A. Since the beginning of the Act coming into force September 1, 1920.

Q. You have a statement here of the number of applications received and policies issued and premiums paid. Perhaps you would give that to the Committee.—A. The number of approved applications received is 2,447.

Q. Up to what date is that?—A. Up to yesterday. The sum of insurance represented by those applications is \$7,309,500. The amount of premiums received with those applications is \$64,548.92; the number of policies issued is 2,161; renewal premiums received \$22,386.91. The total cash received on account of returned soldier insurance is \$86,935.83.

By Mr. Nesbitt:

Q. Can you give us the total number of death claims received up to March 14?—A. The number of claims received, 28; total liability, \$121,000; average, \$4,232; settled, 9. The number of death benefits paid in full, 6; amount paid, \$5,100; applied to purchase an annuity, \$20,400; total, \$25,500; settled under section 10 of the Act, 3; premiums returned, \$39.20; awaiting decision under section 10 of the Act, 19; widows of policyholders, 10. That is, there are ten widows of the claimants; unsettled otherwise, 9. Death benefits refused as no contract in existence, 3.

By the Chairman:

Q. Have you anything to show what the average policy issued is?—A. The average policy issued is \$3,200.

Q. And the average death claim put in is \$4,232?—A. Yes.

Q. Will you kindly explain what this item means "applied to purchase an annuity?"—A. Under the Act the maximum amount payable at the death of a policyholder is one-fifth of the total amount of the insurance. The policyholder has a choice of several kinds of policy, as to the kind of annuity which he may desire, the shortest annuity being five years, certain. The amount, therefore, at death, on a \$5,000 policy will be \$1,000; \$4,000 would be applied to purchasing an annuity which would be paid over a term of years as chosen by the policyholder. In these cases, almost without exception, they are \$5,000 policies; the annuities are five years certain; a five-year certain annuity pays \$898.52 a year for five years.

By Mr. Nesbitt:

Q. It is an instalment in place of an annuity?—A. Annuity is the word mentioned in the Act.

By the Chairman:

Q. You are speaking of subsection 2 of section 3 of the Act, which reads—

"The said payment shall, as to an amount not exceeding one-fifth thereof, be made on the death of the insured and the remainder or the portion thereof to which any beneficiary is entitled, shall at the option of the insured be payable as a life annuity or as an annuity certain for five, ten, fifteen or twenty years, or as an annuity guaranteed for five, ten, fifteen or twenty years and payable thereafter as long as the beneficiary may live."

Now you say the option exercised is an annuity for five years certain—A. Almost invariably. In these particular cases without exception, they have been five years certain.

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Q. Was that under the option exercised by the insured at the time the policy was written?—A. Yes.

Q. Has there been any request made to vary that option that you know of?—A. Not so far, sir.

Q. Would you explain to the Committee what is meant, under section 10?—A. Yes, under section 10 of the Act the capitalized value of any pension paid to a dependent of a policy-holder is deducted from the amount of the insurance, which in effect means that there is no insurance paid, because the capitalized value of a widow's pension even for seven years would eat up the \$5,000 policy; so that, instead of the pension becoming payable, the premiums paid are returnable, plus 4 per cent interest compounded annually. In this case you will notice the premiums returned have been \$39.20, which shows that these policies had only been in force a very short time before the death occurred.

By Mr. Nesbitt:

Q. What is the reason the insurance was not paid?—A. Under section 10 the pension payable to the dependent of a policy-holder is deducted from the amount of insurance, and the capitalized value of the smallest pension would eat it up.

By Mr. Morphy:

Q. I would like to ask a question or two for my own information. Are there any lapses noted?—A. Yes.

Q. How many?—A. The number of lapses to date is 58; that is to March 14.

Q. What reasons are given for lapses?—A. The reasons for lapses are that, under the Act, where the premium was not paid within the month of grace given, the policy automatically lapses.

Q. Is there any chance for reinstatement?—A. Within two years of a lapse the policy-holder may renew his policy on payment of the arrears of premium plus interest at six per cent.

Q. Are there any applications for reinstatement?—A. Yes, there are applications for reinstatement.

By Hon. Mr. Béland:

Q. Without any examination?—A. Just a simple declaration made by the policy-holder himself that he is in the same state of health as when he took out the insurance.

Q. Is that a sworn statement?—A. No, just a simple statement.

By Mr. Morphy:

Q. With regard to lapses what proportion do these 58 lapses bear in relation to those of the ordinary Insurance companies?—A. That I cannot answer, Mr. Finlayson can probably give you that.

Q. You spoke in your preliminary statement of death benefits having been refused because there were no contractual relationships?—A. Yes.

Q. Just give us a case in point?—A. I can give you a case in point:—An application for insurance was made, and was received in the office, we will say, on the first of the month; and on the third day of the month, before any action whatsoever had been taken upon the application, except to acknowledge the receipt of the money, the policy-holder died. The application had not been accepted in the office; neither had the policy been signed. No contract was in effect. Therefore it was refused.

Q. Is there anything equitable in that case, that excuses the soldier for not having applied sooner? Was it from lack of knowledge, or what?—A. I am unable to say, but I have a ruling from the Minister; the ruling is that this shall be done in each case.

Q. It appears to me there might be many cases where the soldier was not fully aware of this beneficial form of insurance in his behalf. Do you know what action has been taken in order that each individual soldier be informed, apart from the

[Mr. J. White.]

APPENDIX No. 2

ordinary notice to the public, that this Government is carrying on insurance for his benefit?—A. In the first place we have placed with almost every employer of labour in Canada, notices to be posted up in his factory regarding the Returned Soldiers' Insurance Act; in every post office, and in every public library the same notices are posted. In addition to that we have obtained as far as possible, the names of all men from the different records available, such as those of the Soldier Settlement Board, to whom we have sent circulars. We have also sent them to men of the Imperial Service to whom we have paid war gratuity. In addition to that we send out information to any man at all whose name we can obtain and when we are replying to any inquiries that may be made we ask the individual whom we are addressing to send us the name of any one he knows who might be interested. Altogether we have sent out, I would not like to give the exact figures, but there must be nearly half a million pieces of literature. In addition to that, the head of the Insurance Branch, Major Topp, has travelled throughout the country and given lectures in every large centre of the Dominion with reference to the Soldiers' Insurance. All officers of the department of Soldiers Civil Re-establishment are also agents for the insurance which they explain to every soldier that they come in contact with, so that I think at the present time the country has been very well covered.

Q. In regard to these applications that were refused, have you had any cases where the beneficiaries could say that the soldier in question was not aware of this scheme of insurance, otherwise he would have insured?—A. I would quote the cases that have happened. In the first case, the application was sent in on October 13th—

Q. Could you give us the general facts without dealing with specific cases?—A. There are only three of those particular cases.

Q. I thought you said there were fifty-eight?—A. These are the lapses.

Q. There were only three cases where there was a refusal?—A. Yes.

Q. In these cases was the claim made that they were not aware?—A. No, sir, the claim was not made.

Q. Do you think there is anything left undone that would be reasonably necessary to be done to inform the soldier body with regard to this scheme of insurance?—A. The only thing, in my opinion, would be that something might be done to inform the man who is not in any of the industrial centres; the man that is separate, isolated, away from large centres. We found it quite easy to reach the man in the city or who has gone on the farm under the Soldier Settlement Board, but there are others we have not found it so easy to reach.

Q. Now, with reference to the notices you sent out directly to individuals, what about the letters that have been returned to the post office?—A. You mean the proportion that have been returned?

Q. Yes. Roughly, an estimate?—A. The number of returned letters addressed from the list of names obtained from the Soldier Settlement Board was very high—probably 20 per cent—but the number of ordinary letters returned was very low—probably not more than five per cent.

Q. That would indicate that the notices sent out reached the soldier in a large majority of cases; with regard to those cases, have you any follow-up system?—A. We have nothing whereby we could follow up except the addresses as given us by the departments, and where they have no further address we cannot follow up.

Q. What departments are those?—A. The Soldier Settlement Board and the Separation Allowance and Assigned Pay Departments.

Q. Supposing a letter is returned, uncalled for, which you have sent to the address given you by the Soldier Settlement Board or the other board, do you communicate that fact to the board?—A. We have retained all those letters and kept them together, and they are to be handed to the Soldier Settlement Board, all the letters at once at one time.

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Q. How long do you keep them?—A. We will return them probably the middle of next week. We have kept them now for, say, about two weeks.

Q. Why should you not return to-morrow the letters which you received up to to-day?—A. It might be done; one reason why it has not been done was to save labour by looking them over all at one time instead of a few at a time.

Q. In saving labour, it may be that you put the soldier to a disadvantage. Why not return the letters at once; the labour is not very great?—A. That can be done—that will be done.

By Mr. Wilson (Saskatoon):

Q. Following up the questions Mr. Morphy has put, I would like to ask this: I have noticed that you have only two thousand or twenty-five hundred applications for insurance?—A. Yes.

Q. That is a surprisingly small number considering the number of returned soldiers and the time which has elapsed since the Act went into force. We notice as well that your losses have been very heavy and the premiums paid up are small, which should almost indicate that probably the ones you are getting, those who are taking out insurance, are those whose applications would not be received by the regular companies.—A. Yes.

Q. In your opinion, would it not be a good idea if you had representatives of this insurance scheme out in the different districts to lay its advantages before the returned men in order that you might get the good as well as the bad risks? You know that if insurance was left by our line companies to the initiative of the individual to go to the insurance inspector and make application, there would not be nearly as many people insured as there are to-day. The applications are brought in by agents going to the individual and pointing out to him the advantages of taking out insurance; my idea is, it would be good business if the soldiers generally could have this scheme laid before them by representatives, who would explain its advantages, so that you could get the good risks as well as the bad ones.—A. That is a question of policy which is under the advisement of the Commissioners, and Colonel Thompson, I think, would be better able to answer that question. I know it is under advisement, and Major Topp, on his visit to the West, was looking into that question to see whether it would be favoured or not.

Mr. NESBITT: It must add to the expense, and that is for us to consider.

WITNESS: Yes, sir.

Mr. NESBITT: It must add to the expenses, and that is for us to consider.

By Mr. Arthurs:

Q. You say that there have been three cases where applications have been received and have been refused?—A. Yes, sir.

Q. You say that in one case the time that elapsed was only three days. What was the time in the other cases?—A. The time in the third case was about eleven days. I had better give you the second case. It was two days in the second case and eleven days in the third case.

Q. What was the usual time?—A. Fourteen days.

Q. What is the time that usually elapses?—A. From the receipt of the application to the policy being sent by the Commissioners, fourteen days.

Q. Providing a man has done all he can do, he has sent in his application properly, there is no suggestion of fraud, and he has paid his premium; suppose he was killed the next day, what would the position of your department be in your opinion?—A. That would not be for the Returned Soldiers' Insurance Commissioners; it would be the decision of the Minister of Finance under the Act.

[Mr. J. White.]

APPENDIX No. 2

Q. The relatives would not get anything under that policy.—A. Well, there are cases that are left to the discretion of the minister. It might be paid; that is in the case of an accident or unforeseen occurrence. But as a general rule where the man dies of the disease from which he suffered when he made application, if the contract was not signed, there would be no claim paid.

By Hon. Mr. Béland:

Q. How long has the Act been in operation?—A. Since September, 1920.

Q. Have you been able to establish a death rate in that time?—A. Not yet sir, because the death rates naturally will be high at the beginning.

Q. All things considered, would you think it higher than it should be?—A. I think that is a question that Mr. Finlayson would be better able to answer than I can. He is the Superintendent of Insurance, and he will probably answer that question.

Q. I understand you to say that 22 have died out of 2,100. Is that correct?—A. Twenty-eight have died.

THE CHAIRMAN: I may point out to the Committee, just to refresh their memory, that the object of this insurance was to protect those who perhaps could not get insurance in the ordinary line companies, or who could only get insurance at a very much increased premium; and it was foreseen—perhaps not to the extent that has occurred—that of necessity we would get a number of bad lives, particularly, as the witnesses say, at first. The questions put by Mr. Morphy and Mr. Arthurs raise the nice point as to where the line should be drawn. One does not like to use the phrase “death-bed insurance,” but I suppose there is a possibility of such a thing happening. A soldier, being almost in extremis and naturally desirous of protecting his family, tries to get this insurance. If he dies before the contract is issued, as the witness says, there is not contractual obligation. The claims in these three cases have not been paid.

By Mr. Morphy:

Q. Where the policies were issued before the man died they were all paid?—A. Yes sir.

Q. If the policy had issued before he died, it was a good claim?—A. If the policy had been sent before the death of the applicant, it would be paid.

Q. Why is the period of 14 days set?—A. That was the period set by the Minister of Finance as the period which it would take from the time the application came in to the time it would go through the ordinary routine and be signed by the Commissioner.

Q. So that if these three soldiers had lived 15 days, the money would have been paid?—A. Yes.

MR. MORPHY: But having died before that, they would not.

By Hon. Mr. Béland:

Q. The policy has to be returned to the man for him to sign?—A. No sir, not the policy. Delivery of the policy means sending it.

Q. That applies all over the country?—A. Yes.

Q. Regardless of the distance?—A. It makes no difference; delivery to the policyholder means delivery to the post office. Actually, it means the signature of the Commissioner.

By Mr. Morphy:

Q. If there happened to be delays in the administration of the Act of Insurance, over which the soldier had no control, he is apt to lose his rights because of such delays in the department?—A. No, sir; there is a provision that in case of undue delay not caused by the fault of the applicant for insurance, the case will receive the consideration of the Commissioners.

[Mr. J. White.]

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Q. Take this case: A sends in his application with his premium, and it is received in due course. But he does not get his policy. He was a healthy risk when he put it in; he did everything he had to do; but he dies from some acute disease not existent. He was a good risk under the scheme, but he would not necessarily be entitled to obtain his insurance if he died before 14 days, would he?—A. No, sir.

Q. As I understand that may be the subject for consideration in that particular case by the minister?—A. Yes.

Q. He exercises his right to extend what might be called compassionate treatment—A. No, sir.

Q. Though the policy never was issued?—A. It would not be a case of compassionate treatment. It would be a case where the minister would decide whether a contract could be entered into, as this man was not a death-bed application; he was not on his death bed when he made the application; he was a healthy subject; therefore a contract could be entered into with that man, even if he died the next day.

Q. What would be the difference between the case of a man who was a healthy subject and the case of one who was not, when the object of this insurance is to provide for the dependents of all soldiers who seek the benefit of this Act? Can you define it?—A. The ruling given to us by both the Minister of Finance and the Department of Justice is that where there is no expectation of life there can be no contract.

Q. That is the same ruling as in the case of insurance companies?—A. Yes, that is the same ruling.

Q. It is very difficult to ascertain in some cases I should say. Take these three cases, have they come before the minister?—A. Yes, they have been sent before the minister,—two cases have been sent before the minister, and the third case has not had a chance to be sent.

Q. The two cases have been reviewed by the minister?—A. Yes.

Q. What was the action taken?—A. It was held that no contract was in existence.

The CHAIRMAN: Might I suggest that a committee be appointed, composed of yourself, Dr. Béland and Colonel Arthurs to examine these particular cases? A good deal depends on the individual case whether the ruling is reasonable or not in the opinion of the committee, and we would take a good deal of time if we went into each case.

Mr. MORPHY: I quite agree with that.

Hon. Mr. BÉLAND: And I agree with it.

The CHAIRMAN: I am suggesting that a sub-committee be appointed to examine these three cases.

Mr. BÉLAND: Just now?

The CHAIRMAN: Yes. You three gentlemen have taken an interest in this particular point which is an important one.

Mr. NESBITT: It is absolutely and entirely a question for the Committee, and not for this young man, as to whether the ruling is good or not. It is up to the Committee to say whether they think the ruling is a good one. I have pleasure in moving that a committee be appointed composed of Hon. Mr. Béland and Messrs. Morphy and Arthurs to examine these particular cases and report back to the Committee.

Motion agreed to.

Mr. DOUGLAS: What is the usual practice in the old line companies after an applicant has paid his initial premium, as to his insurance? Is he automatically insured?

Mr. NESBITT: No, not till the contract is signed and he gets his policy.

Mr. CHISHOLM: The company reserves the right to decide whether they will accept it.

[Mr. J. White.]

APPENDIX No. 2

Mr. COOPER: After the company receives the premium can they reject it?

Mr. CALDWELL: The risk is rejected and the premium refunded.

Mr. NESBITT: Of course they have to refund the premium.

Hon. Mr. BÉLAND: In the case of the old line companies it is quite different, because the acceptance of the application depends upon the medical examination.

By Mr. Green:

Q. You say you had 2,447 approved applications. What applications did you have that were not approved?—A. One of the essential things which must accompany an application is the cash for the first premium. We have numerous applications received where the cash is short, or no cash at all, or the man has not completed his application in the proper manner. These are not approved applications.

Q. About how many of those have you had?—A. We have had about 300, but they have all been cleared up, and we never have more than probably eight on hand at any one time. They just automatically clear themselves up from time to time.

By Mr. Morphy:

Q. Do you send the application back where the man does not send the premium?—A. Yes.

Q. And point out the fact?—A. Yes.

By the Chairman:

Q. Might I ask if the ruling on which these applications were refused, or payment was refused, comes under section 13 of the Act?—A. Yes.

Q. Have you a copy of the regulations issued under section 17 of the Act?—A. I have not a copy of the regulations.

The CHAIRMAN: There is a book issued by the department and the regulations are printed in that, at pages 21, 22 and 23. I would ask Mr. White to let us have copies later on.

By Mr. Arthurs:

Q. Have you had cases arise where the man has applied for \$5,000 insurance, and finds afterwards he could not make the payments, and asked for a reduced policy, or is there any provision for this case where a man takes a policy for \$5,000 and cannot pay the premium and wants it reduced to \$2,000?—A. Yes, we have had applications of that nature; the man has asked for a \$5,000 policy, and finds he cannot carry it, and then he wants to reduce it to \$2,000. The only thing we can do under the Act is to have him lapse the insurance policy he has taken, and issue a \$2,000 policy in its place.

By Hon. Mr. Béland:

Q. And the first premium is forfeited?—A. Yes. Of course that would be obviated by any policy-holder, when he takes out his policy, instead of taking one policy of \$5,000, to take two out, and if one lapses, he retains the other.

By Mr. Arthurs:

Q. This Insurance Act lapses for application after a term of one year or two years?—A. Yes.

Q. Provided the applicant carries it along after the insurance period has elapsed, is there any provision in the Act whereby he can then take out a smaller policy?—A. There is no provision.

Q. Should there not be one?—A. That is a matter of opinion.

[Mr. J. White.]

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The CHAIRMAN: Mr. White has some tables which the Committee might not desire to have read, but which might be put on file. They are as follows: Table showing the policies issued according to the rank, or the former rank, of the insured; policies issued in accordance with the terms of payment of the premium, whether it is yearly, half-yearly or quarterly or monthly, or one single premium, and also the kind of policies issued, ten, fifteen or twenty years, or all life; and third, policies issued by provinces, and character of the service and the sex; that is, C.E.F., Medical Corps and I.M.P. Then as to single, married and widowed, and as to those who are pensioned and those who are not pensioned. If there is any information wanted the witness could give it, but I think we should put that statement on file in any event.

(Statement filed, marked Exhibit No. 1.)

We have communications from the Great War Veterans' Association suggesting amendments and we have also amendments suggested from the Department. We might take up the amendment suggested by the Department. It is suggested that subsection 2 of section 3 of the Act be repealed and a new section substituted.

By the Chairman:

Q. What is the effect, Mr. White; can you tell us shortly the effect of this amendment, because it just touches one point as I understand it?—A. Two points.

Q. Will you explain what the effect is?—A. The first amendment would mean that instead of one-fifth only being payable on the death of a policy-holder the amount payable would be the entire amount of the policy, or one thousand dollars, whichever is the smaller amount. If he was insured for one thousand dollars, we would pay the whole amount of the policy instead of only \$200, as it is at the present time; that is the first amendment.

Q. Subsection 2 of section 3 says that an amount not exceeding one-fifth shall be paid on the death of the policy-holder. Now it is suggested that up to \$1,000 the policy should be paid in full; if the policy is for only \$1,000 or less than \$1,000, the total face value of the policy should be paid. If it is for \$2,000, \$1,000 shall be paid and the balance of \$2,000 shall be spread over the term by way of annuity.

Q. Now what is the second amendment?—A. That deals with section 10 of the Act.

Q. Is that the only change in section 2?—A. That is the only change.

Q. Now what is the effect of the second amendment?—A. The second amendment deals with section 10. Under that section the capitalized value of the pension is deducted from the insurance which may be paid to the beneficiary, but in the case of an Imperial soldier, a French soldier, or the soldier of any of the other Allied Forces, if he dies the capitalized value of the pension paid by the Imperial, the French or other Allied Governments, is not deducted from the insurance. Therefore, the widow of the Canadian soldier receives only either the pension or the insurance, while the widow of the soldier of the other Allied or Associated Powers receives both.

By Mr. Nesbitt:

Q. The Act did not provide for that?—A. No, sir, but the amendment is designed so that the pension which is payable to the dependent shall be deducted from the insurance; it is really made for the purpose of putting our own men and the soldiers of the Allied and Associated Powers on one and the same footing.

Q. With regard to that section 10, it does not, as far as I can read it, define that it shall be applied to the Canadian soldier?—A. Yes; the words "Pension Act" define it. You see, "Any pension paid under the Pension Act." The Imperial pension, or the pension of the French or other Allied soldiers, of course, would not be paid under the Pension Act.

[Mr. J. White.]

APPENDIX No. 2

By the Chairman:

Q. While Mr. White is here, we might just go on and consider the proposed amendments suggested by the Great War Veterans' Association; I think you all have copies of them. (Reads):

"No. 1. That the period during which application may be received be extended from two years to five years."

Now, Mr. MacNeil, perhaps you would like to help us out on this, let us have your views on these recommendations. We will have to consult, of course, Mr. Finlayson as soon as he can appear here.

Mr. MACNEIL: I just wish to file these recommendations and have them considered while the witnesses are being examined.

The CHAIRMAN: Would you like to hear from Col. Thompson and Mr. White on the proposed extension from two to five years?

Mr. NESBITT: I would prefer to hear from Mr. Finlayson.

Col. THOMPSON: These are recommendations by the Commissioners.

The CHAIRMAN: Yes, I know, but I am passing on to the Great War Veterans Association recommendation which is that the Act shall remain in force, for the purpose of writing policies for five years, instead of only two years—that is certainly a matter for this Committee to consider.

Mr. MACNUTT: Why was it confined to two years before?

The CHAIRMAN: I would like Mr. Finlayson to answer that.

Mr. ARTHURS: The reason was just to prevent any such case as those three we have heard of.

The CHAIRMAN: I think I must reserve that question until we get Mr. Finlayson here.

Mr. COPP: I would suggest that we allow it to stand over for the present.

The CHAIRMAN: Meanwhile, we will pass on to the second suggestion by Mr. MacNeil. (Reads).

"2. That in view of the stipulated conditions of payment to the beneficiaries, that the maximum amount of the policy be increased to \$10,000."

Mr. NESBITT: Now that is a matter altogether for the Committee.

The CHAIRMAN: Quite so, I thought if we could get some information as to what is meant it would be helpful.

Mr. MORPHY: Why do they ask for that?

Mr. CALDWELL: What is the maximum now?

The CHAIRMAN: \$5,000. I would like to get some information as to why this change is recommended. The maximum is \$5,000, but it was really very largely a question of what liability there was on the country under this scheme, without medical examination, taking subnormal risks, as we are certain to do, because you may be certain that the ordinary insurance companies will write all the normal risks they can. They offer what we cannot offer, payment in cash, privileges of borrowing against it, and a wider range of beneficiaries; therefore the normal man will probably go to the ordinary company.

Mr. MORPHY: Can we get from Mr. MacNeil, or any one else, some reason to show why they ask this change?

Mr. REDMAN: I think Mr. MacNeil should give us a general statement and afterwards we can hear Mr. Finlayson.

Mr. MACNEIL: The first suggestion was made because of the obvious difficulty that has arisen in popularizing the insurance measure. The beneficial effect of this

[Mr. J. White.]

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measure has not yet been fully explained to the majority of the returned soldiers; it is surprising the length of time that has been found necessary for this, and the full effect of this measure has not, up to the present moment, been fully understood or explained, consequently we consider it a reasonable request that the period during which the benefits may be available may be extended from two to five years.

Mr. COPP: Has any organized attempt been made to bring this insurance scheme to the attention of the soldiers of Canada through your organization?

Mr. MACNEIL: Yes, in this regard, we have extended every facility for the circulation of information published by the Board of Pension Commissioners throughout the country. There has been hearty co-operation in this regard; we have distributed literature through our branches, and have endeavoured to instruct our secretaries as to the provisions of the Act, and in every way possible have endeavoured to explain its advantages to that class of men who might require insurance.

Mr. DOUGLAS: Have you given that information to all classes of men?

Mr. MACNEIL: Yes, we realize that it should be spread as widely as possible.

Mr. CALDWELL: There are a large number of returned men who are not members of the Great War Veterans Association, are there not?

Mr. MACNEIL: Yes.

Mr. CALDWELL: Is it possible there are a large number of men who are not yet acquainted with the conditions.

Mr. MACNEIL: In a service of this nature, we do not restrict our efforts to the members of our organization. We endeavour to give the information required, we try to help any man regardless of his affiliation with our association; if he requires information, we do not stick at technicality, whether he belongs to the organization or not, we give him the information.

Mr. CALDWELL: What I meant was that the men who do not belong to the G.W.V.A. are not in as good a position to be reached.

Mr. MACNEIL: That might be.

Mr. CALDWELL: There are a large number of returned men who do not belong to your association.

Mr. MACNEIL: Yes, but every effort was made through our branches to give information to all returned men, and we have had inquiries from a lot of men, who, we know are not members of the organization.

Mr. CALDWELL: I know that in New Brunswick there are a number of men who are not members of your organization.

Mr. MACNEIL: Nevertheless, that information is available at all our branches and we know has been given to many who are not members of our organization.

The CHAIRMAN: Before you come to the second, a suggestion was made that in order to spread the information about this insurance, the agents of all the life companies in Canada should be enlisted in this public service. I think it quite possible that they could have been so enlisted without any fee or remuneration, but at the time it was pointed out that the result would probably be that while the returned men would be canvassed, and perhaps more thoroughly canvassed than others, we would only get "lame ducks," if I may use that term, because naturally the agents would like to write normal health risks in order to make their commission. May I ask your opinion of that; whether you think it would accrue to the advantage of the soldier?

Mr. MACNEIL: I am of the opinion that such an arrangement would have the effect you suggest. It strikes me as being rather obvious from such observation as I have made of the activities of the insurance agents with regard to the Returned Soldiers' Insurance Act.

[Mr. C. G. MacNeil.]

APPENDIX No. 2

Mr. NESBITT: Most of them have a copy of the Act and use it to show the benefits of their own policies as against ours.

Mr. MACNEIL: The second suggestion was advanced because of the fact that the Government Insurance Act is modelled largely on the guaranteed income policy of the average insurance company. A man making application for a guaranteed income policy in the ordinary line company would take out say \$5,000 or \$10,000 with the object of building up an income for his dependents later on, following his death. This is not permissible under the Act because the maximum of a policy is set at \$5,000. The suggestion is based on the opinion that if the stipulation is still enforced that the payments to beneficiaries should be made under the annuity plan only, the insured should have the opportunity of building up that income if the circumstances warrant him in doing so, for his dependents following his decease, to a standard of adequate maintenance. Another reason arises from section 3. If the man is disabled, and his death occurs under circumstances that would warrant payment of the pension to his dependents, he does not get the benefit of insurance. We feel that if the present circumstances of that man enable him to make payment of the premium, he should be given the opportunity of building up the income which shall accrue, following his death. If he is now able to make payments, and if the additional premiums make it possible for him to have something over and above the deduction of the pension, as the Act stands to-day, the pension absorbs almost the entire amount of the insurance.

The CHAIRMAN: The plan is to capitalize the pensions payable to the dependents, and to deduct the amount of that capital from the insurance issued. Your view is that if the policy were altered, it would still leave a source of revenue or income to the dependents.

Mr. MACNEIL: There is that possibility under certain circumstances. The second and third clauses of our recommendation should be considered together. They are practically alternatives. With regard to section 2, as the Act stands to-day, we submit that the insured, if he so desires, should have an opportunity to build up an income for his dependents, and also that a seriously disabled man should have an opportunity by his present contributions to add to the income of his dependents.

The CHAIRMAN: I would like to make that point quite clear. I have before me a pamphlet called "Compensation for ex-members of the C.E.F.," which I think came from your association, and under the heading of Insurance it points out the provisions of the Act with regard to pensioners who die from causes arising from their service, and concludes with these words: "It is simply a case of penalizing a pensioner who in the service of the country contracts serious disability which results in his death." If we read clause 3 in conjunction with clause 2, that is one proposition; but if we are to entirely abandon this protection of the country—because that is what it amounts to—that is another matter. Do you press for both?

Mr. ARTHURS: Mr. MacNeil's suggestion, as I understand it, is that at present the man who takes out \$5,000 worth of insurance, and who dies as the result of service, has against that policy the capitalized amount of pension. In most cases, or perhaps in every case, that puts the policy out of business. Mr. MacNeil's contention, as I understand it, is that if the insurer were allowed to increase his policy to \$10,000, he would have something over and above the capitalized value of his pension to increase the amount of income to the members of his family.

Mr. REDMAN: That would apply only to the man getting 80 per cent pension or over.

Mr. DOUGLAS: Does Mr. MacNeil's suggestion extend to every member of the C.E.F.?

[Mr. C. G. MacNeil.]

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Mr. MACNEIL: Clause 2 is advanced because of the stipulations set forth in section 10 of the Act, and because of the stipulations which regulate the payment to beneficiaries. But clauses 2 and 3 interlock, and as the Chairman has asked me the question, they are really alternative suggestions.

Mr. MORPHY: In clause 3, you confine it to disabled soldiers.

Mr. MACNEIL: Yes sir; section 10 of the Act deals only with men who die under circumstances that warrant the payment of a pension.

Mr. MORPHY: It would not apply to those who were not disabled.

Mr. DOUGLAS: It would be very unfortunate if that is so.

Mr. MACNEIL: If the maximum of the policy were increased to \$10,000 we would not be so anxious to suggest that section 10 should be amended, because we realize that acceptance of both suggestions would tremendously increase the liability to the country. But we had to put them both forward because we did not know from which angle the Committee would view the matter.

Mr. REDMAN: Would you be willing to limit the increase to \$10,000 only to those men who are likely to get a pension, because it is only a very small proportion who would get that pension, as mentioned in clause 3? Would you limit it only to those who are pensionable?

Mr. MACNEIL: If section 10 of the Act is permitted to stand, we ask that every man be given an opportunity to take a \$10,000 policy.

Mr. NESBITT: As I understand it, if we do not deduct for the pension, he would be satisfied with the maximum remaining at \$5,000.

Mr. MACNEIL: Yes, we have to, because the liability would be tremendous.

Mr. REDMAN: On the country?

Mr. MACNEIL: Yes. With regard to No. 3,—That no deduction be made from the payment of insurance in respect of the pension that may be payable to the beneficiary as a result of the death of the insured, and that Section 10 of the Act be so amended as to enable all disabled soldiers to fully safeguard the future of their dependents,—I may add that Section 10 is the chief reason why the present measure is not more popular. The section is not fully understood and we have had the greatest difficulty in explaining it to the returned soldier. It has been the cause of great suspicion. They have been afraid to take out insurance policies because they felt they might make the payment for some very indefinite benefit, and they are not sure what they would receive. We would like steps to be taken to make that clear.

Mr. REDMAN: What pensions are granted to which this refers? It is not only those who are getting a pension of eighty per cent and over, and who die, that come under this Section?

Mr. MACNEIL: Or those who die from disability incurred on service. That would make the pension payable to dependents. Clause 4 asks that Section 13 of the Act be deleted or that fraudulent representations be the only ground upon which an insurance policy may be refused.

Section 5.—That the benefits of this Act be extended to the widows of men who fell on Active service.

This section is submitted because of the opinion that the present Act discriminates against such widows. According to the present definition it refers only to the widow of a returned soldier who has died after the date of honourable discharge. It is generally felt that the widow of the man who dies on active service should have the same benefit as in the other case, and we have never been able to fully understand why the definition in the Act of "widow" has been restricted to such a very small class.

[Mr. C. G. MacNeil.]

APPENDIX No. 2

Mr. NESBITT: Because she was the widow of a man who died on active service she receives the pension, and that is followed down all the way on the same basis.

The CHAIRMAN: This is a matter for the Committee to consider.

Mr. MACNEIL: We desire to submit the suggestion that they may safeguard the future of their dependents in the same manner as disabled soldiers.

Number 7 is introduced only after discussion, because we know widows are frequently victimized by unscrupulous persons.

The CHAIRMAN: Then as to No. 6. That no discrimination be shown against former members of the Forces not now domiciled in Canada.

Mr. MACNEIL: That is advanced on behalf of affiliated organizations in the United States. There is a keen and bitter feeling in the United States on this point and also with regard to pensions, as they feel that they are discriminated against. They enlisted under conditions that led them to believe that they would be enabled to fully participate in Canadian post-war benefits, and they feel that any such discrimination as in this Act should be eliminated. Another feature is that the Act as it stands to-day gives the opportunity for a certain degree of fraud. A man takes a trip to Canada, files his application, and goes back to the States. The man who cannot take that trip cannot have his application considered. We do not anticipate a large number of applications of this class, but we think it would be good policy on account of the relations between the two countries to grant this request. This has been suggested by the British Great War Veterans of the United States, the World War Veterans, the American Volunteers of the C.E.F. and other organizations, which include Canadian soldiers.

Mr. DOUGLAS: Are there very many?

Mr. MACNEIL: Two or three hundred in every city of any consequence.

Mr. MORPHY: Is your proposition limited to British subjects?

Mr. MACNEIL: Former members of the forces.

Mr. MORPHY: Would an American soldier, if he enlisted, be eligible?

Mr. MACNEIL: If he served in the C.E.F. we feel he should enjoy the same privileges as any other discharged member of the Forces.

Mr. NESBITT: We look on this as a loss to the country, and we thought it would be as well to confine it to our own citizens.

The CHAIRMAN: Mr. White points out that in the statement he files the Department has received applications for insurance from other countries to the number of 437.

Mr. REDMAN: Mostly from the States.

Mr. WHITE: Yes, 437 from the United States I suppose.

Mr. REDMAN: I suppose very strong letters accompanied the applications?

WITNESS: Sometimes.

Mr. MORPHY: All British subjects?

Mr. WHITE: In two cases or so, they were not, but in the large majority they were.

Mr. MORPHY: Were they in the C.E.F.?

Mr. WHITE: Yes, in all cases.

The CHAIRMAN: Then as to No. 7. That the insured be given the option of indicating payment of the amount of the policy in a lump sum to the beneficiary.

Mr. MACNEIL: There is a strong demand for the payment of a lump sum, when justifiable, and this would be largely eliminated by the acceptance of the amendment submitted by the Board of Pension Commissioners to the Committee this morning.

[Mr. C. G. MacNeil.]

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It is suggested that the Board make provision for the exceptional cases, and it is suggested that the Minister of Finance should have the power under the Act to make provision for such cases where the insured himself may desire to provide for the payment of a lump sum to the beneficiary.

Mr. NESBITT: The premium is based entirely on the manner of payment?

The CHAIRMAN: Yes, but I understand Mr. MacNeil to say that the proposal of at least \$1,000 will to a certain extent meet the situation.

Mr. MACNEIL: Yes, as our suggestion was advanced because of extraordinary circumstances at the time of death.

The CHAIRMAN: Objection was raised, and raised in the House, as I recall it, that the practice of the Department was not to deduct from pension the premiums due under insurance held by the pensioner, and I was led to believe that your association favoured a change in that regard and that they would like to see the premiums deducted automatically from the pension.

Mr. MACNEIL: Yes, as a matter of convenience it is generally desired by pensioners. The impression was originally given that it would be done, and the matter has again come up for discussion recently, and I understand that certain considerations of administration have influenced the Commissioners in withdrawing that facility, but the general desire is that it be done.

The CHAIRMAN: We will put that down as number 8—that the Pension Board be instructed to deduct the premiums due from insured pensioners from the pensions payable to the same.

Mr. MACNEIL: I did not include it, because I did not know whether the Committee would consider it of importance.

Mr. COPP: I would like the witness to give the Committee the amount of money that has been received.

Mr. WHITE: Total cash received \$86,935.83. The total amount paid out in cash \$5,100. Then we have liabilities on annuities \$25,500.

Mr. NESBITT: I move that we adjourn until to-morrow morning at 11 o'clock, and ask Mr. Finlayson to appear before us.

Motion agreed to.

Committee adjourned until 11 a.m. tomorrow.

COMMITTEE ROOM 436,

HOUSE OF COMMONS,

FRIDAY, March 18, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Power, Redman, Ross, Savard, Spinney, and Turgeon—18.

The CHAIRMAN: We have Mr. Finlayson, Superintendent of Insurance, with us this morning, to continue our inquiry into the proposed amendments to the Insurance Act, and the suggestions made by the Great War Veterans' Association.

APPENDIX No. 2

G. D. FINLAYSON, called, sworn and examined.

By the Chairman:

Q. You probably have seen the suggested amendments to the Act sent to us by the Pension Board. We would like to have your view in regard to these proposed amendments.—A. The first amendment is to subsection 2 of section 3 of the Returned Soldiers' Insurance Act.

Q. That amendment asks that the payment shall be up to \$1,000, the balance being payable as in accord with the section.—A. I think some change in that direction is perhaps desirable. The object of this provision in subsection 2, at the time the Bill was drafted, was to protect the beneficiaries themselves against perhaps an unwise expenditure of a lump sum of money. During recent years what is known as the Monthly Income policy has become a very popular policy with insurance companies. With the old-fashioned policy paid in a lump sum, it was found that the benefits payable to the widow or other beneficiaries were very often unwisely invested or dissipated, and in a short time her need was as great as if she had not received insurance at all. The object of this clause was to provide for periodical payments. It has been found, however, that in the case of the smaller policies the immediate payment on death is so small as to be insufficient to provide for the ordinary funeral expenses. In the case of the \$500 policy the cash payment on death is but \$100, and I do not think it is at all unreasonable that there should be a request for an increase in that amount. An immediate cash payment of \$500, or even \$1,000, would, I think, be entirely reasonable. So that in the case of the \$500 policy and the \$1,000 policy the full amount should be payable on death. In the case of any policies exceeding \$1,000, the balance of the amount over \$1,000 would be payable in the form of an annuity. I would very strongly recommend the adoption of that amendment to provide for at least a payment on death of \$500. It seems to me that that would probably provide the ordinary funeral expenses and leave something over. If the Committee decides to make it \$1,000, I do not think there is any great objection to it.

By Mr. Copp:

Q. The amendment states that the said payment shall, as to an amount not exceeding \$1,000, be made on the death of the insured. Now who would say as to whether it would be \$500, or \$700 or \$1,000?—A. It is at the option of the insured or the beneficiary.

Q. The beneficiary would say?—A. The application form requires the insured to state what amount shall be paid on death.

By Mr. Caldwell:

Q. That is at the time the policy is taken out?—A. Yes.

By the Chairman:

Q. There is a provision that later on the beneficiary may, with the consent of the department or the minister, vary the option?—A. Yes.

By Mr. Nesbitt:

Q. Do you know Mr. Finlayson that any policies have been taken out for \$500?—A. Mr. White can tell you that.

Mr. WHITE: Yes, about four I think.

By Mr. Nesbitt:

Q. If a person is not able to take out more insurance than \$500, is it not natural for us to suppose that that is in accordance with his other means, and if a person

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only has the means to take out \$500 insurance, is it not also natural to suppose that \$100 would be quite sufficient to pay for funeral expenses. That would be one-fifth.—
A. There are probably doctors' bills or hospital bills to pay.

Q. The doctors' bills would not amount to very much in the case of people who have not any more means than enough to take out \$500 insurance. The bills of the doctors in my section of the country would not be anything, the hospital bills would not be anything, because they would be in the public ward. When it comes to \$1,000 I think the Committee will agree with me that \$200 would be quite enough for them to pay for funeral expenses, and all of you who have had business experience know that just as soon as anybody dies and leaves insurance money, the glib-tongued investor is very lively and right on the job with all kinds of inducements of high rate of interest and all that sort of thing and nine times out of ten the people who take their advice on these investments lose this insurance which was established for the purpose of assisting the beneficiaries or the people left by the returned soldier. We can easily see that there is going to be an expense, over and above the management, to the Government so far as it is shown at least at the present time, and while it is the duty of the country to maintain the insurance and assist the beneficiary as much as possible, it is also their duty in my judgment to see that the money that has been obtained through insurance is not squandered after the death of the insured. Personally I would be perfectly frank, and I may say that I think the Act as it stands is better than the proposed amendment.

Hon. Mr. SPINNEY: Would not that difficulty be removed by placing the policy on a percentage basis?

Mr. NESBITT: It is now payable on a percentage basis. According to the Act they get one-fifth so that that covers the point.

Hon. Mr. SPINNEY: Yes.

Mr. NESBITT: It is on a sliding scale.

Mr. ARTHURS: I do not think it is worth while arguing that out now; we can discuss that afterwards.

The CHAIRMAN: We have Mr. Finlayson's views on the point. Is there any other question with regard to this amendment?

By Mr. Caldwell:

Q. You have found in practice that this has not been sufficient to meet the funeral expenses, and doctors' bills, in some cases?—A. The statement has been made that \$100 is not sufficient to provide ordinary expenses.

Mr. DOUGLAS: I do not think there is any argument on that point at all.

WITNESS: Our own experience of present costs will tell us that.

The CHAIRMAN: Well then, as to the second amendment to section 10—

By Mr. Arthurs:

Q. Before leaving that, there is a difference with regard to the expenditure by the Government when the policy is payable in full at death of the insured and where it is payable in annuities for a period of years; the cost to the Government would be less in that case, would it not?—A. In the latter case, if this proposed amendment is not made.

Q. I am speaking about the present condition, as it is. In your opinion is it cheaper for the Government to pay the annuity, or to pay the total amount of the policy on the death of the insured?—A. It does not make any difference ultimately; the present value of the claim is the same whether paid in a lump sum, or whether it is paid in the form of an annuity.

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Q. You pay the annuity according to a certain scale, at what rate of interest do you calculate the annuity—the present worth?—A. It is at the rate of four per cent, and it is arrived at by working the other way: the Government takes the amount, the lump sum benefit and converts it into an annuity at four per cent.

Q. At the present rate of interest, the Government would be saving a little money by the annuity plan?—A. Yes, if we assume that the mortality table is correct, of course.

Q. When you prepared these tables for insurance premiums, were they prepared on the supposition that the whole amount would be payable on the death of the insured?—A. It would not make any difference in determining the amount of the premium.

Q. But, as a matter of fact, they were so prepared?—A. Yes, but as a matter of fact, it would not make any difference whether it was on the assumption that the whole amount would be payable at death, or whether it was paid as an annuity.

By Mr. Caldwell:

Q. But, theoretically, there would be a saving if the payments were made on the instalment plan?—A. Theoretically, yes, but I should say this a practical question, and it would make no difference. The second amendment to section 10 appears to be divided into two parts—

By Mr. MacNeil:

Q. Does not the witness consider this amendment is necessary in order to popularize the measure? Has it come under his observation that such an amendment is necessary?—A. I think there is no doubt it will popularize the insurance scheme. I can quite understand some soldiers being deterred from taking insurance by reason of the small amount the beneficiary will receive on death, but as regards the benefit to the Government through the larger scope of the insurance scheme, I do not think ultimately it will have any very great effect, as I do not think we need hope for any profit ultimately from even the unimpaired lives. A large volume of good risks at the present stage would no doubt dilute the expenditures of the Government, it would provide a larger premium income immediately and would lower the proportion of deaths; but ultimately over the whole duration of this insurance scheme, I do not think, even with the good risks, the Government will be able to realize any profit. The rates are absolutely net with no provision for profit. So I should say that if this amendment made the scheme more popular, it would probably appeal more strongly to the ordinary unimpaired risk, and you would therefore get a larger volume of business, a larger volume of premiums, without a corresponding increase in the number of immediate claims, so that the Government would have for the first few years of the scheme a much larger surplus of income over expenditure, but ultimately I do not think there will be any profit. For that reason I do not think it is to the ultimate advantage of the Government to press for good lives in this insurance scheme. I think it should be open to all classes to take insurance, that there should be every possible means of obtaining information providing for all classes, but I do not think the Government would be justified in incurring any large expenditure for this purpose.

By Mr. Chisholm:

Q. Do you mean all classes, outside the soldiers?—A. Oh, no, get all the lives that come within the Act; but I do not think we would be warranted in incurring any great expenditure for the purpose of getting good lives under that scheme, because they would not ultimately give a profit, and you would lose the expense incurred in popularizing this scheme.

By the Chairman:

Q. If we are finished with the first amendment, we will go on to the next amendment. You were saying it was divided into two parts.—A. The first part appears to be designed to remove an apparent discrimination between the Imperial soldier and the Canadian soldier. Section 10 now provides that if on the death of the insured a pension becomes payable to any relative under the Pension Act, that is the Canadian Pension Act, the present value of the pension or pensions is deducted from the total amount of insurance payable.

By Mr. Nesbitt:

Q. And the premiums, in proportion, are returned?—A. The premiums, in proportion, are returned, for instance, supposing the insured dies leaving a wife who becomes entitled to a pension under the Canadian Pension Act, the present value of the pension to the wife usually amounts to more than five thousand dollars, there would therefore be no payment made under the insurance policy, but the beneficiary would receive all the premiums that the insured had paid, accumulated at four per cent interest. The position would be that the beneficiary is in just exactly the same position as if the insurance had not been effected at all, because four per cent is probably all that the premiums would have accumulated, had they not been paid in for insurance. The idea of that was to remove the duplication of payments in the case of those who were in the fortunate position of being able to take insurance. From the Government standpoint, were it not for this section, those people who happened to be in a position to be able to pay the insurance premium, would have their widows or families provided first with the pension and then with the insurance; the person who had not taken insurance would leave nothing but the pension for his widow. There would therefore be duplication in some cases, and, from the standpoint of the Government, the total amount payable might be more than is considered necessary for the maintenance of his dependents. That was the object of that deduction, and the amendment now is for the purpose of making the same provision applicable to those soldiers who are subject to the Imperial Pension Act. At present, this Act applies to Imperials as well as to members of the Canadian Expeditionary Force. When an imperial soldier dies, his widow becomes entitled to a pension under the Imperial Pension Act, and she also becomes entitled to a benefit under this Act. So that from the standpoint of the Canadian soldier, the beneficiary of the Imperial soldier is faring better than his widow would in the event of his death.

Mr. NESBITT: This clause, then, is to equalize them?

Mr. FINLAYSON: It is to equalize them. If we look at the matter from the standpoint of the Canadian Government, I do not see that the amendment is necessary. The Canadian Government is not paying Imperial pensions. If the sole object of this section 10 is to protect the Government against liability for double payments, the section, I think, is right as it stands, because the Canadian Government is not concerned with what the Imperial Government may do for their soldiers or their families. The only justification that I can see for the amendment is to remove any feeling of dissatisfaction on the part of the Canadian soldiers who feel that they are being discriminated against in the matter. From the standpoint of the Government I think the section is right as it stands.

Mr. REDMAN: What do you estimate the present value at? Would you not have to estimate on the probable life of the widow?

Mr. FINLAYSON: Yes, but the way it works out is that I do not think there will be any case of a widow where the present value will not be \$5,000.

Mr. REDMAN: Supposing she was very old.

Mr. FINLAYSON: The number of these would be very small.

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Mr. NESBITT: She gets her premiums returned.

The CHAIRMAN: It is worked out on a regular table.

Mr. FINLAYSON: I have a memorandum here which shows that the present value of the payment to a widow is \$7,000.

The CHAIRMAN: Are there any questions on this part of the amendment? If not, we will go on to another.

Mr. FINLAYSON: The object of the second part of the amendment, as I understand it, is to deal with the case where the widow is not entitled to a pension, but some other relative, such as the mother, is. That case will arise where the disabled soldier was married after the occurrence of disability. In such a case, on his death, the widow does not become entitled to a pension, while if it could be shown that he had supported his mother, the mother may become entitled to a pension. At the present time, if that soldier is insured, and dies, under the section as it stands now there would be deducted from the benefit payable to the widow under the Insurance Act the present value of the pension payable to the mother of the insured. The object of the amendment is to provide that in such a case no deductions shall be made from the benefit payable to the widow.

Mr. NESBITT: That seems sound.

Mr. FINLAYSON: The mother will receive her pension, and the widow will receive the full amount of the insurance.

The CHAIRMAN: Are there any further questions with regard to that? If not, we will pass to the suggestions of the Great War Veterans' Association. The first suggestion is that the period of operation of the Act shall be extended from two to five years.

Mr. FINLAYSON: The original suggestion in the Bill was for one year. As the Bill came before this Committee, the provision was that it should remain in force for one year for the purpose of having insurance effected; and it was only after a lengthy discussion in the Committee that it was decided to extend it to two years. I think the Committee felt that if any person with ordinary facilities at his disposal could not effect insurance in two years, he did not want it very badly. At any rate, I should say that it is rather too soon to say that this amendment is necessary. As the matter stands now, soldiers can effect this insurance up to September 1, 1922; that is a year from next September, and I would expect that with the facilities now provided for advertising this measure, every person will have a reasonable opportunity of effecting insurance before that date. But if a year from now there is reason to suppose that proper facilities have not been provided, this amendment could then be considered. I would think that this amendment should not be adopted at present, at any rate.

The CHAIRMAN: Any questions?

Mr. DOUGLAS: How could it be considered a year from now if there should be no committee to look into the matter? Would it be considered by the Department of Insurance?

Mr. NESBITT: The Government would consider it whether there was a committee or not.

Mr. FINLAYSON: Yes, the Government could consider it whether there is a committee or not. Representations would be made to the Government.

Mr. NESBITT: They would have to consider it eventually.

Mr. COPP: They would take the responsibility themselves.

Mr. FINLAYSON: Yes.

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By Mr. MacNeil:

Q. Has there not been difficulty in distributing information regarding this Act among the returned soldiers?—A. Well, perhaps we are not in the best position to answer that; but from what I understand has been done in the way of popularizing this Act, and from what is being done at present, I should think that there would be no lack of information a year from now, say. Of course, we cannot seek out all returned soldiers and put the proposition up to them. All that can be done is to provide for the distribution of proper information at the various centres where soldiers are likely to congregate; and I think that is being done now as thoroughly as is practically possible.

By Mr. Douglas:

Q. Would there be any advantage in allowing the soldiers a longer period in which to participate in the benefits of this Act; would it have the effect of popularizing the measure if they were allowed a longer period to take up insurance?—A. I think the effect would be this: The soldiers would be more inclined to put off. I think you will find quite a rush for this insurance when we come nearer to September, 1922. There is nothing that will drive men into a scheme like this, like the feeling that the door is soon to be closed. If they had five years to go, they would be more inclined to put the matter off. There is this to be said from the standpoint of the Government, you must remember that the longer this scheme is extended, the more it will suffer from the impairment of lives from natural causes among soldiers. The number of men who are liable to become impaired risks from purely natural causes will in five years be considerable. That is, there may be men who now are entirely fit who are able to take out insurance in ordinary companies, but who within five years might fall prey to disease and become incurable. Those men will very readily take up this insurance. The Government therefore is exposed to a selection of that kind against them all the time this scheme remains open. That was our object in the first instance in limiting the operation of the scheme to one year, to prevent the Government from inevitable adverse selection through impairment in that way.

The CHAIRMAN: Then we come to suggested amendment No. 2, and Mr. MacNeil suggested that 2 and 3 should to a certain extent be considered together.

Mr. GREEN: Two and three and seven.

The CHAIRMAN: Yes.

WITNESS: Dealing with 7 first I rather think the suggested amendment to section 2 would probably cover Mr. MacNeil's point. I am very strongly in favour of the instalment method of paying insurance. I think it is the experience of insurance companies that it is an ideal way of paying insurance money. The only modification I would suggest to the present scheme would be an increase in the amount of initial payment to provide for immediate necessities.

By Mr. Nesbitt:

Q. Do we not in the Bill provide for commutation of the insurance?—A. No.

Q. I thought we did last year?—A. No.

By Mr. MacNeil:

Q. Has it not been found in certain circumstances it might be wise under the Act to give the Minister discretion to permit the option of taking a lump sum even in excess of \$1,000?—A. There is a provision for the variation of the mode of payment, with the consent of the Minister, by the beneficiary, but within the methods mentioned in section 2 of the Act.

Q. Could not that be safely extended?—A. I am afraid it would be impossible for the Department or the Minister to exercise discretion there. It would be impos-

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sible to inquire into all the merits of the innumerable applications that would be made. It is pretty safe to say that if we permit commutation, the persons who are most likely to apply for it will be those who are most in need of protection. It would be therefore necessary to investigate every application that was made for commutation. I do not think that could be very well undertaken by the Department or the Minister.

Q. On what statistics have the decisions been arrived at by the insurance companies? On what statistics do they claim it is necessary to have this protection?—A. I do not say that they have definite statistics, although individual companies may have. It is their general experience in dealing with insurance beneficiaries.

By Mr. Nesbitt:

Q. Is not their experience simply the fact that there are more people now applying for annuity policies than there used to be?—A. Yes, the annuity policy is becoming more popular all the time. Some of the companies are making it their specialty—it is their most popular policy. It seems to indicate that there is a demand for it on the part of the public.

By Mr. Copp:

Q. Would not suggestion No. 7 nullify what you have suggested as to the amendment to subsection 2 of section 3?—A. If 7 were adopted it would practically wipe out that section, yes. My feeling is that practically every person, or a great many, would ask for the benefits of this. Now, dealing with suggestion No. 2, "that, in view of the stipulated conditions of payment to the beneficiaries, the maximum amount of the policy be increased to \$10,000," that suggestion was also made to the Committee, I think, last year, and was very carefully considered. The argument, I think, that led to the adoption of the present limit of \$5,000 was the fact that the average policy taken out by the ordinary public amounted to something less than \$2,000 in Canada at the present time. There is no limit imposed by insurance companies, at the present time, to the amount of insurance that may be taken out by the ordinary policyholder. The fact is that the average policy amounts to about \$1,700 or \$1,800; so that if we provide a maximum of \$5,000, I think we are doing very well. Then we have the fact that the average policy taken out under this scheme is \$3,200. That does not indicate that there is any great demand for a policy larger than \$5,000. I think about 2,500 policies have been taken out at an average of \$3,200. I should think the extension to \$10,000 is not necessary at the present time, if we make that suggested amendment to section 3, whereby a larger initial payment is provided for.

The CHAIRMAN: I should like to hear Mr. MacNeil's view in regard to suggestions 2 and 3.

By Mr. Morphy:

Q. I would like to ask a question as to the number of policies up to \$5,000 which have been taken out.—A. I am sorry I have not the figures before me. Mr. White may have them.

Mr. REDMAN: Take a widow forty years of age, policy \$5,000, what life annuity would you pay her each year?

Mr. WHITE: I have not the figures with me to show the number of policies at \$5,000. I will obtain them and give them to the Committee. I might say for the information of the Committee that the death claims that we have paid, with one exception, are \$5,000—or those claims which are pending. With regard to your question, supposing the amount of the insurance is \$5,000, and the age of the widow at the death of the husband is forty; the amount of the cash payment will be \$1,000,

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the remaining \$4,000 would be converted into an annuity of \$254 for the life of his widow.

Mr. NESBITT: That is quite a lot better than investing in gold stock.

By Mr. MacNeil:

Q. Does it not impress you that the average policy of \$3,200 is high, considering the circumstances of the people who take out this insurance, and whose present circumstances are not what you would consider affluent?—A. I think it is; I think it is very high considering the financial position of the men who are taking it out. Of course, you also have to consider the fact that their need is very great, and this is an opportunity of a lifetime for them which must be taken within two years, but it will not last forever, and they are more likely to take a larger insurance than the ordinary man who can take it out whenever he feels disposed to do so.

Q. According to the record of death claims do you not find that the claims already incurred are for the maximum amount. Does not that indicate that larger policies have been taken out by the most impaired lives?—A. I think we have to expect that.

By Mr. Caldwell:

Q. I might take Mr. Finlayson back to that question where the widow, forty years of age, would in the case of a \$5,000 policy, get \$1,000 cash and \$250 a year during her life. Supposing she only lived to the age of forty-two she would only receive \$500 out of that balance of \$4,000; would the relatives of that widow have any claim upon the Government for the balance or would the Government retain the balance?—A. If that particular option were chosen, that is the life annuity plan, the only payment is to the widow as long as she lives, whether she lives one year or twenty years, but the payment absolutely ceases at her death. There are, however, other options.

Q. Yes, but pardon me, if she takes that option?—A. If that option has been taken, it ceases at her death.

Q. The fact remains that the Government only pays \$500 out of the balance of \$4,000, when premiums have been paid on \$5,000; and those premiums have been based on the supposition that the \$5,000 would be paid in a lump sum. Would the balance after the death of the widow be paid to her dependents?—A. If she chose that particular option, that particular method of paying the balance of the money, at the end of a certain term of years payment would cease.

Q. Whether she lived five years or not?—A. Whether she lived five years or not, —as long as she lived she would receive that annual payment, whether she lived twenty years or not; but if she chose the five-year guaranteed annuity in the event of her dying within five years, the unpaid balance for the five years would be paid to her estate. Then there is another option for ten years on the same plan, and another for fifteen years, and another for twenty years.

Q. And if she adopted the ten-year plan, consequently that amount would be paid absolutely regardless of whether she lived or not.

The CHAIRMAN: But if she lived more than ten years, she would have received the whole amount, and would not receive any more?

A. Under the scheme we are discussing, if the five-year guaranteed annuity is chosen the widow will draw her annual payment as long as she lives, whether she lives five years or twenty-five years. But in the event of her dying within five years the remainder of the five instalments would be paid to her estate. The five payments are made in any case, but she is assured of her income as long as she lives.

The CHAIRMAN: I was going to ask Mr. MacNeil to give us the reason for the proposal to increase the amount of insurance, combining suggestions two and three.

Mr. MACNEIL: The argument in favour of the increase is that the man may be enabled to build up his policy, as his circumstances improve, so that the guaranteed

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income to his dependents on his decease would realize a proper standard of maintenance. In view of the fact that the Act specifies an annuity form of payment, we desire that the man should have the opportunity as his circumstances warrant it to build up his policy so that it will yield proportionately a greater income after his death. In view of the fact that a policy, yielding, say, an annuity of \$119, will not be sufficient for the maintenance of his dependents, and also in consideration of the fact that under section 10 the disabled man is not given any opportunity to supplement the pension which his dependents may receive.

WITNESS: We have, certainly, no information which will justify us in saying that the income policy is confined to those able to take out a large amount of insurance. The question all hinges on that term "proper standard of maintenance." You have to have regard to the standard of maintenance that the beneficiary has been accustomed to. If the person were insured for \$1,000, the \$50 a year to the widow might mean much more than the \$500 a year to persons in other circumstances of life. We have certainly no information to show that the income policy is confined to the larger policies. This is the first time that I have heard that statement made; there may be something in it, but we have no means of confirming or refuting it.

By Mr. Douglas:

Q. Are there no means of confirming it from the old line companies' records?—

A. We could do it, but I think we have no information in our department which would enable us to make the comparison.

By Mr. Nesbitt:

Q. You could get the information by gathering statistics?—A. Yes.

By Mr. MacNeil:

Q. Does not the average insurance agent, in approaching a man, with regard to taking out a guaranteed income policy, point out that he can get it on a lower rate of premium than is charged for the same amount as for a twenty-pay life? As his circumstances improve, he can take out additional insurance and thus he is enabled to carry a larger amount of insurance than at the rate of premium for the ordinary policy. Could it not be worked out on this basis without any increased liability?—

A. That might be so, there is one thing sure, that the insurance agent is always out to get as large an amount of insurance as he can.

By Mr. Nesbitt:

Q. Is there any scheme you can comprehend that they do not suggest when trying to insure a man?—A. No, their object is to get a man insured, and for the largest possible amount, but I think you will find this plan of policy is issued in very small amounts.

By Mr. MacNeil:

Q. Does not any insurance plan under which they get an opportunity to carry a \$10,000 insurance policy, payable in monthly instalments, offer a more attractive premium rate, and give the disabled man an opportunity to build up the monthly income as his circumstances improve?—A. I cannot see any reason why they should urge a man to take out a \$10,000 policy merely on account of the fact that it was a monthly income policy, where otherwise he would only take out a \$2,000 or \$3,000 policy.

Q. Would there be any greater liability to the country which should reasonably prevent this man from having that opportunity?—A. Oh yes, there would be a very decided increase in the liability of the country if you increased this to \$10,000.

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The CHAIRMAN: Mr. MacNeil's point is that if you increase the maximum to \$10,000, it would give the disabled man, who might die from his disability, a chance to insure for so large an amount that even after the present value of the pension is deducted there would be something left of the insurance policy, and his widow's income would thereby be increased.

Mr. FINLAYSON: But the Government has to pay it.

The CHAIRMAN: Undoubtedly.

Mr. FINLAYSON: That man is an impaired risk, and it means that the Government will pay his widow \$3,000 or \$4,000. It certainly means an increase.

Mr. NESBITT: It means that the Government will have to "whack up" just the same as it has to do in connection with the railways.

By Mr. MacNeil:

Q. In view of the fact that the premium under this Act is very little lower than that of the average insurance company for a non-participating policy, it is difficult to understand why a spread of risk would not be advantageous. How do the ordinary insurance companies manage to make a profit on their policies with a very little higher rate of premium?—A. It is not at all clear that the insurance companies do make any profit on the lowest non-participating rates. They can only do it, if at all, by reason of the fact that they are earning six or seven per cent on their money. They could not hope to do it if they were earning four per cent on their money.

Mr. NESBITT: The agents never press for a non-participating policy.

By Mr. MacNeil:

Q. Would there not be compensation for the impaired risk?—A. It would relieve the burden on the Government ultimately. If there is a danger that the Government is liable for the first year or two to have to pay out more claims than they have received in premiums, so as to cause an immediate drain on the treasury, the broadening of this measure to bring in good lives would assist them in overcoming that, because they would receive a larger volume of premiums from those good lives without a corresponding increase in the number of claims.

Q. That is in spite of the fact that the insurance company apparently makes money on that good risk?—A. The insurance company, if it makes money at all on these risks which you speak of, makes it only by reason of the greater interest that it earns.

By Mr. Nesbitt:

Q. They do not make any money?—A. No, they do not make any money.

By Mr. Morphy:

Q. Have you any objection to telling us, in a concrete way, why Mr. MacNeil's view that it should be raised to a \$10,000 basis should not prevail? I would like you to take the various items and state your opinion succinctly.—A. As I said, the principal argument last year was that probably it would not be availed of to any great extent by the men by whom this insurance scheme is most needed, in view of the fact that the average insurance with the companies is less than \$2,000. A consideration that influenced the Committee also was the burden on the Government, the liability to the Government. We had to decide between two courses: one providing a liberal measure of insurance for the soldiers, and the other keeping the liability of the country within reasonable bounds. This amount of \$5,000 was considered a happy medium between the two.

Q. Is there any way whereby an alternative policy could be taken out by one who had taken out a \$5,000 policy, giving for the second \$5,000 a rate that would

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more nearly approach the commercial rate and yet at the same time provide the same benefits obtained under the standardized rates of the ordinary company; thus enabling him to take an extra \$5,000 policy?—A. Do you mean to impose a medical examination?

Q. On the same basis as now, fixing your premium so as to make it approach more closely to the ordinary rate for the extra \$5,000.—A. I am afraid it would not furnish any great protection to the Government, because the man who would be most likely to take advantage of that would be those who are very badly impaired in health, and who probably would only pay the premium for a year or two at the most and then die. The benefit the Government would get from the increased premium, even if the premium were brought up to the ordinary rate, would provide nothing like the additional liability that they would have by reason of taking on the additional risk.

Q. I am looking at it not so much from the point of view of the Government as from the point of view of the men who are deserving of something at the hands of the Government for their service. It strikes me that there might be a deserving case, the case of a man who has enjoyed a certain standard of living, and whose dependents have been brought up according to that standard of living; he might feel that he had a reasonable claim upon the State for taking out further insurance?—A. If the object is to limit it to deserving cases, that would imply the exercise of some discretion on the part of some person as to who should be eligible for this amount of insurance. Some person would have to pass upon the question of whether the applicant was deserving or not. I am afraid it would not be practicable; I do not see how it could be done.

By Mr. MacNeil:

Q. If the chief reason for fixing the maximum at \$5,000 is the fact that the average policy throughout Canada is for \$3,000, would it be possible to obtain statistics showing the amount of the average policy taken out on a similar plan to that of the policy issued under this Act? You arrived at that average from statistics on all forms of policies. Would it be possible to get statistics from the Underwriters' Association with regard to policies similar to the plan of insurance in this Act? Would that not be a fairer way of determining the maximum?—A. I think it would be quite possible to obtain such statistics. The only question would be whether the results would justify the labour involved. They could be obtained; there is no question about that.

By Mr. Nesbitt:

Q. Not before the first of July.—A. To get complete statistics would be a very big job.

The CHAIRMAN: Now gentlemen, I do not want to hurry you unduly, but we have several other sections to take up, and Major Power has come to discuss a question which arises in the middle of these recommendations; so I would like you to push matters along a bit. I would like to get through with Mr. Finlayson and Mr. Power before we adjourn.

Mr. FINLAYSON: Clause 3 reads:—

“That no deduction be made from the payment of insurance in respect of the pension that may be payable to the beneficiary as a result of the death of the insured, and that section 10 of the Act be so amended as to enable all disabled soldiers to fully safeguard the future of their dependents”.

I think we have already discussed the object of section 10. I do not know that I can say very much more than I have said already in regard to that.

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Then suggestion 4 reads:—

“That section 13 of the Act be deleted, or that fraudulent representations be the only ground upon which an insurance policy may be refused.”

I do not think that any necessity for that has been established. As far as I know there has been no complaint in that regard.

Mr. MACNEIL: It is in regard to the suspicion,—that is all. What is the purpose?—A. It is very hard to say, there might be cases arise which should be excluded.

The CHAIRMAN: We had three cases before us yesterday of policies that had not issued and therefore no payments had been made and we appointed a sub-committee to examine those cases. We might take their report now.

Mr. MORPHY: I can give a verbal report of our deliberations. The first case that we discussed was known as the Myers case, Porcupine, Ontario. The deceased had a widow and two children. He, himself, was thirty years of age. He died one day after the insurance application had been sent in, complete in every respect, with the premium paid. Had he lived fourteen days he would have got the insurance. Since the law is that a contract is not complete before the delivery of the policy, the department rules in that case that there is no contract effectually entered into, and nothing was paid or nothing may be paid. The second case was one of A. D. Smith, Quyon, Quebec, age 32. He had a wife, but there was nothing to show he had any children. I mean to say the record did not establish that. He sent in his application with his premium, and, similarly to the other case, he died within a couple of days afterwards, and the premium was returned, and the beneficiary was informed that there was nothing for her.

The other case was C. W. Brereton, Lamont, Alberta, age 29. He had a wife, but it is not shown he had any children. He died December 28. The policy was signed in the department on January 5. It was mailed to him on the 6th January, and his widow acknowledged receipt of the policy. That has not been dealt with by the department. There was a ruling made by the department that such cases might come under the Act for consideration, but there is nothing in the law to say that the money was payable in such cases as this, although the soldier had performed every act necessary to effectuate his insurance. He had done everything and paid his premium, and if the policy had been issued instantly his dependents would have got the money, but the fourteen-day clause interfered, and there is a discretion in the minister to deal with these cases. In the one case mentioned they dealt with it adversely and nothing was paid. There is a ruling put forward by the department, December 15, 1920, signed by C. B. Topp, approved by Sir Henry Drayton, Minister of Finance, which contains in clause 3 the statement—

“In no case will a claim be admitted if the death occurs before the application has been examined and approved and so marked in the usual course by the department.”

In the same ruling there is a clause which gives discretion quite opposed to that, to consider the case and deal with it as though the contract had been effectually entered into. The suggestion has been made that that be changed by this Committee. In the absence of Dr. Béland we would recommend that Clause 3 of that ruling, which is very arbitrary, be eliminated. That would be the recommendation of this Committee, and we would recommend that bona fide claims of this kind should be paid where no fraud is shown. Supposing the man had been killed by accident or in some other way, leaving dependents, it being felt by the Committee that the insurance is for the benefit of the man's dependents, we thought this was reasonable and that such claims should be paid, and that the fourteen-day clause should not operate where

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there was no contract of insurance, but that the law should be, that under such circumstances, his dependents would be entitled to the insurance as though he had lived that fourteen days provided for by law for carrying out the contract of insurance.

Mr. ARTHURS: The Committee felt that there was some doubt as to what is generally known as death-bed insurance, where there was no prospect of the insured having any further claim on life. We found that the ruling of the Board was very arbitrary. A very healthy man might do all that was required of him by the law, he might send in his insurance, show his proper military service and that he has paid his premium, and do all these things necessary under this Insurance Act, and through some delay on the part of the military authorities themselves, the policy was not delivered. In every case the first requisite, I understand, in regard to an insurance policy, is that the military service be verified. This is important in regard to this provision, because during the time that elapses a perfectly healthy man might die on account of accident or various causes, which would not come under the category of death-bed insurance at all. We felt that a clause might remedy that, and make it perfectly legal insurance. I do not know that we are all agreed on this. Our time was very limited. But where the death occurs through military service, and the man has done those acts which are necessary under the Insurance Act, and where he has been married, and has had children, and has been married within a reasonable time before death, we thought the insurance should be paid, no matter how soon the death occurred afterward. We think that is only reasonable. I make a distinction as between the cases. This widow is not necessarily provided for by the Pensions Act. This may be the widow of a soldier who has been injured during the war, the injury subsequently causing his death, but she had married him after the occurrence of that injury; consequently, under the pensions law she is not eligible for a pension, and the Committee believes those widows should be provided for in the ordinary way, and that they should not suffer through anybody's fault.

Mr. NESBITT: That has been recommended by the Department I think. We dealt with it this morning.

Mr. ARTHURS: No, it does not come under anything that occurred this morning in my view.

The CHAIRMAN: We will get the report of the Committee in due course and can consider this question when we are dealing with the general questions. Now, the next clause, 5, I think it is, "that the benefits of this Act be extended to the widows of men who fell on active service." The definition of "widow" under subsection (h) of clause 2, appears to limit the "insurable widow" to the widow of a returned soldier who has died after retirement or honourable discharge from service, and before the expiration of twelve months from the coming into force of the Act.

A. The reason for that was that if the soldier died on active service the widow is provided for by pension and, presumably, is in a position to care for her children; while the widow of the man who dies after being discharged is not entitled to pension. It was considered by the Committee last year that that widow should be entitled to insurance for the benefit of her children.

Mr. REDMAN: There is a possibility that a man might die while on active service not on account of injuries received on active service. In any event, I think the intention might be better expressed than it is, it might be made clearer.

The CHAIRMAN: There is, of course, the general question of the desirability of allowing widows, in addition to their pension, to insure their own lives for the benefit of their dependents. That is a question of policy which this Committee might properly consider. No. 6, "That no discrimination be shown against former members of the forces not now domiciled in Canada"—We restrict this plan entirely to residents of Canada.

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Mr. NESBITT: That is a pure matter of policy.

Mr. REDMAN: Mr. Finlayson might give us information as to the number of applications probable if this suggestion be adopted and what he thinks the liability might amount to.

WITNESS: I think that was given the other day—four hundred and thirty-seven application have been received from outside Canada.

Q. What is the objection to giving them what they ask?—A. I cannot see very much reason for granting this recommendation in so far as it applies to men who have voluntarily taken up their domicile in another country; men who perhaps are quite fit, or men who might be impaired or uninsurable, but still able to work, or earn their living. If these men have voluntarily chosen to take up occupation in some other country I do not think there is the same obligation on the part of the Government of Canada to provide for them in this way.

By Mr. MacNeil:

Q. The fact should not be lost sight of that some hundreds of men were recruited outside of Canada by our recruiting missions, and that they have now returned to the places where they enlisted. Did you also consider the circumstances of disabled men compelled to reside in the United States because of the severe climate in Canada?—A. For the men who have been compelled to take up their residence in the United States, say, or to go to other climates for the benefit of their health, I think there is some ground for this recommendation, and I can see that those men might think they are being discriminated against simply because force of circumstances has compelled them to leave Canada. For that class of men I think the suggestion might properly be considered by the Committee. With regard to the man who was recruited in the United States, if he requires insurance, I think his complaint is against his own Government and not against this Government.

Q. But that is his home, it was there he was enlisted into the C.E.F., and he should be able to get this insurance?—A. We are providing for any Canadian who served in the Imperial Forces, why should not the United States Government provide for their soldiers in the same way? Take a Canadian who served in the Imperial Forces, he is eligible for this insurance, if he comes to Canada; why should not the United States Government provide for the soldier who served with the Canadian Force and who has returned to his home in the United States? His complaint is against his own Government, not against ours.

The CHAIRMAN: We have already considered No. 7. Now there was No. 8, and as that is the one in which Major Power, I think, is interested—the gist of Major Power's resolution is that arrangements be made, at the request of the pensioner, to deduct from pension payments such sums as the said pensioner should indicate and apply the same to the payment of the insurance premiums under the Act. I have this morning received a telegram from the President of the Veterans of France Association in Victoria, B.C., which reads as follows:—

“VICTORIA, B.C., 17-18 March, 1921.

Chairman, Soldiers' Establishment Committee,
Parliament Buildings, Ottawa.

Mailing suggested amendments Soldiers' Insurance Act to-day. Strongly recommend pensioners be permitted to assign portion pension in payment insurance premium. Please give this earnest consideration.

ROBERT MACNICOL,
President, Veterans of France Association,
Victoria, B.C.”

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Mr. NESBITT: Would it not be as well to hear the Chairman of the Pensions Board on this question?

The CHAIRMAN: Perhaps Col. Thompson would give us his opinion on this.

Mr. POWER: Might I ask what objection the insurance people have to that suggestion?

WITNESS: I must say, frankly, that was our intention in framing the Act and in recommending that it be administered by the Pension Board; that is one of the chief arguments that we had before us, that the premiums could be collected by deduction from the pension——

The CHAIRMAN: I remember that most distinctly.

WITNESS: We have an illustration under the Government insurance for Civil Servants where 99 per cent of the premiums are being paid in that way, by deduction from the salary of the insured. I did not apprehend any objection at that time to that course being followed out, but I understand that there is some objection to the administration by the Pension Board.

Mr. POWER: I would like to get that from your own standpoint, is there any objection whatsoever to that proposition?

WITNESS: None that I know of.

Mr. POWER: None whatever?

WITNESS: None that I know of,—I would be heartily in favour of it.

The CHAIRMAN: Well now, shall we hear Col. Thompson at this point so that he can indicate the difficulties that have arisen.

Mr. NESBITT: I move that Col. Thompson be heard.

The CHAIRMAN: We will not dismiss Mr. Finlayson just yet, because there are other questions upon which we desire to hear him.

Col. JOHN THOMPSON, called, sworn and examined.

By the Chairman:

Q. Perhaps you would be good enough, Colonel, to explain to the Committee the view which obtains in the department, and the reasons for it?—A. From an administrative point of view, Mr. Chairman, we have no objection to the recommendation. It would entail an extra staff and probably about \$8,000 would be the extra expense involved in the matter of administration. There would be no extra trouble to any particular individuals, or to the Commissioners themselves. Our objection to the proposal is that from our knowledge of the administration of pensions it would, as a matter of fact, cause very great inconvenience to the pensioners. For instance, take the case of a pensioner on a fifteen per cent permanent basis, or something of that nature. He assigns a certain amount each month. He is going to get that pension so long as he lives unless he is taken on the D.S.C.R. for treatment. Now, the pensions that are suspended amount sometimes to \$15,000 a month. They are suspended for various reasons. If a man assigns so much a month and the pension is suspended, he will be relying probably on the payment of that pension to enable him to pay his insurance premiums. If the pension is stopped, the insurance premiums will not be paid. Then if we do not have his address,—and quite a number of suspensions are due to lack of address owing to soldiers shifting around,—he will not be notified of the suspension, and his insurance will lapse.

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By Mr. Douglas:

Q. Did I understand you to say that a man might assign his pension?—A. The Act would have to be amended.

Q. He cannot assign to any person?—A. The Act would have to be amended. Suspensions sometimes amount to \$15,000 a month. Pensions are suspended for various reasons,—failure to attend a medical examination, lack of address, the fact of the man being taken on for training, or being on the strength of the D.S.C.R. by mistake, and so on. There are various reasons for suspension. A pensioner will possibly assign his pension in payment of his insurance premium. He is re-examined, and his pension is cancelled. He might not make provision for paying his insurance, or he might think that his pension was to be continued. Again, a man might assign \$5 a month to meet his insurance premium. He is re-examined, and his pension is reduced. It would be necessary for the Insurance Branch to notify him. He has probably resigned any security, thinking that his pension is going to carry him along. I think this proposal would cause a great deal of inconvenience to the men. The Pension Board, as such, has no objection to it at all.

By Mr. Power:

Q. The objection, boiled down, is simply this,—that pensions are sometimes suspended and sometimes cancelled altogether?—A. Or reduced.

Q. Or reduced? The pensioner, when he was obliged to meet his monthly payment, might not have sufficient money with the Pension Board to supply the payment of his insurance. That is, generally speaking, the objection?—A. Yes. I can say not only that it might, I am quite sure that that would happen.

Q. But if the pensioner were paying for his insurance out of his own money, out of his earnings as a labourer say, or in any other way, and he became unemployed and did not have money enough at the end of the month or at the date when the premium was due, he would be up against the very same trouble?—A. I take the position that once he has made an assignment of his pension, he has resigned what I call his security, thinking his pension is going to carry him along.

Q. Do you not give him notice before you cancel, or do you simply cut off his pension from one day to another?—A. Well, if he is re-examined to-day—supposing he is re-examined in the local district office and found to be non-pensionable, he would not get any more pension, his pension would be cancelled.

Q. He would be advised sometime beforehand that he was to be re-examined?—A. Oh yes, quite.

Q. He would know three or four weeks beforehand?—A. We always give him notice.

Q. He would be aware of the risk he was running of having his pension cancelled altogether, would he not?—A. Yes.

By the Chairman:

Q. He is notified later on if his pension is cancelled or reduced?—A. Yes.

By Mr. Power:

Q. How many days' grace has he to pay his premium?

Mr. REDMAN: One month.

The CHAIRMAN: Is that quite clear? Perhaps Mr. White would tell us.

Mr. WHITE: One month, thirty days.

By Mr. Power:

Q. From the standpoint of insurance, I would like to ask Mr. Finlayson this question? Would it be possible in the case of a pensioner who had assigned his pen-
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sion, and who found that it had been cancelled, to give him, say, six weeks or two months' grace?

Mr. FINLAYSON: That is practically the case now. While he has only thirty days' grace, there is provision for reinstatement even if the policy lapses.

Mr. CALDWELL: For how long does that apply?

Mr. FINLAYSON: Two years.

Colonel THOMPSON: I may point out that it is hardly analogous to the Civil Servants' Insurance. In their case there is a stated sum paid, and there is no reduction or cancellation, and no suspension.

By Mr. Power:

Q. I realize that the pension of the returned soldier is unfortunately not so static as the salary of the civil servant?—A. I want it to be quite clear that the Board, as such, has no objection.

Q. This objection which you make would apply to a great extent to the pensioners who are receiving small pensions, \$5 or \$10 a month; pensioners up to about 15 per cent?—A. No, it would apply to the high disability man, because they are the ones who are most frequently taken on the D.S.C.R.

Q. When they are taken on the D.S.C.R., do they not receive something?—A. Not from us.

Q. But they receive something from the D.S.C.R.?—A. Yes.

Q. And they are quite aware when they are taken on the D.S.C.R. that their pension ceases from that moment; the majority know that?—A. They are well posted, yes.

Q. So that they can make their own arrangements to apply the D.S.C.R. allowance to the premium.—A. Yes.

Q. With regard to those who are receiving pensions under 15 per cent, small pensions, is it not a fact that these men are rapidly commuting their pensions?—A. A fair percentage, not so many as I thought there would be.

Q. So that the high disability cases are subject to change because they are taken on by the D.S.C.R.? These men will undergo treatment in the D.S.C.R., and are in a position to pay their premiums, are they not?—A. I should think so.

Q. So that the difficulty would arise more in the case of those who receive small pensions. The inconvenience and difficulty with these pensioners would arise more in cases where men have been receiving small pensions, and they are suddenly cut off from the pensions.—A. I do not think there is any distinction between the two. The high disability man, if he is taken on the pay and allowance of the D.S.C.R. is in receipt of money which he can send in.

Q. He gets the other pay in lieu of this?—A. Yes.

Q. So that he can provide for his premiums?—A. Yes.

Q. The case of the man who is receiving a small pension is more difficult?—A. I do not think so. It may be, but I do not think the man in receipt of a small pension is very seriously handicapped in this regard.

Q. In the case of a man who is receiving a small pension, I understand you to say that he is not absolutely incapable of earning his living, and he may be able to earn sufficient money to pay his way.—A. I am going on the presumption that they are all able to pay. I do not point out a difficulty that might arise owing to the fact that the man may not have the money, but owing to the fact that if he assigns his pension he is done with all payments in the future.

By Mr. Douglas:

Q. You are emphasizing the lack of business ability or capacity, or carelessness, or something like that?—A. Yes. It is not a question of dollars and cents.

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The CHAIRMAN: I would like to have Major Power consider the case of a man who is taken back on the D.S.C.R.; he may be ill and his mind may be affected, and he may be broken down because of nervous trouble. That is the man who would never give a thought to insurance.

Mr. POWER: If he were paying money out of his own pocket and not out of pension, he might be taken ill just the same. I cannot see the distinction which Col. Thompson seems to have in his mind between the man who receives a certain sum which he applies in this way, and the man who is taking it from his ordinary earnings, unless there is something in his psychological makeup which prevents him from thinking logically.

WITNESS: I think he is careless, but perhaps no more careless than others.

Mr. E. G. AIERN: The Board has absolutely no objection to putting this into force at all. This has been very thoroughly threshed out but we think there will be a great deal of dissatisfaction if the suggestion is adopted.

Mr. POWER: I do not want to impose my views on the Committee, but I would like to have it thoroughly threshed out here. There is no difference between taking it out of his pocket and taking it out of the pension.

WITNESS: I might say that under the Pension Act they may have their pensions payable monthly or quarterly, or every six months. It is surprising to me the number of men who come in and sign the forms, and say, "I want pay every half year," and then within two or three days after the beginning of the month they will come in and say, "Why have I not received my pension cheque? I have not received it for this month." I say to them, "But you want it paid half-yearly." The man will say, "I do not want it paid half-yearly, I want it paid at once." I am quite sure there would be a very large number who assign their pension who would say the next day, "Why did I not get my pension this month?"

Mr. POWER: I should think it would apply more to the women pensioners, but that does not affect the principle in any way. They might change their minds. If they write back that they want to cancel their assignment, let them do so. It means a little more clerical work.

Witness discharged.

The CHAIRMAN: I would like to put in a letter addressed to the Minister of the Interior from Major Matthews of Vancouver, making suggestions. It does not absolutely belong to the section, but it is a suggestion that pensioners be allowed to assign their pensions to the Government for the purpose of buying annuities from the Government. I do not know that we need dwell on it now, but it will go on record, and comes in on the point of assigning pensions. The letter reads as follows:—

"I have the honour to say that I have read certain despatches in the local newspapers to the effect that a Committee would sit shortly at Ottawa to bring in certain recommendations permitting the assignment of pensions paid to soldiers to apply on insurance for men disabled in the war. This to take place when the pension was so small as to be of little material benefit to the recipient.

"My interest has been aroused lately by the very excellent system of annuities as outlined in a handbook prepared by S. T. Bastedo, Superintendent of Canadian Government Annuities, and the object of this letter is to ask that consideration be given to the assignment of pensions to this Department. There are a large number of men who regard pensions for wounds in the light of a windfall. The sum is small and comes to hand monthly and is spent without any appreciable result. If it was possible to assign the pension to the

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Annuity Department, the pension would never be missed and probably forgotten about except at long intervals, but the result would be the prevention, or partial prevention, of a condition such as existed in England twenty years ago when many aged Crimean veterans were the object of much outcry on account of their straightened circumstances.

"I have recently written to the Superintendent asking if my pension could be assigned to his Department but have not yet had a reply, but I understand from local sources that it cannot.

"I have the honour to be, sir,

Your obedient servant,

(Sgd.) J. S. Matthews,

Late Major 102nd Battn., Canadian Infantry, O.M.F.C."

The CHAIRMAN: Now we will ask Mr. Finlayson to take up accident and sickness insurance which has been suggested by the Great War Veterans' Association. I will read the letter so that the Committee will understand it.

Mr. BRIEN: Might we refer to No. 6 of the suggestions made, "that no discretion be shown against former members of the forces not now domiciled in Canada." I wonder if the Committee is aware that there were none but British subjects in the United States recruited by the British-Canadian Recruiting Mission?

Mr. NESBITT: There are many fellows who say that Americans were recruited.

The CHAIRMAN: Perhaps not by the British-Canadian Recruiting Mission. They came over and enlisted in Canada.

Mr. BRIEN: It was strongly stipulated that none but British subjects could be recruited. It would have led to international complications if the British-Canadian Recruiting Mission had recruited Americans.

The CHAIRMAN: That mission started in somewhat late in the war.

Mr. BRIEN: That was after the United States had declared war.

The CHAIRMAN: There was a good deal of voluntary enlistment before that by Americans, but after the United States declared war none but British subjects were recruited.

Mr. NESBITT: There was a lot before that.

Mr. BRIEN: Should there not be something done for those who are British subjects living in the United States who fought in the C.E.F.? Should they not be considered?

Mr. COPP: The Committee can consider that. Mr. Finlayson does not know anything about it.

The CHAIRMAN: The letter received from the Great War Veterans' Association reads as follows:—

"On behalf of this Association, I would request that your Committee investigate the merits of the proposal that the Returned Soldiers' Insurance Act be so extended as to provide accident and sickness insurance for disabled men who at present are unable to obtain same because of injuries incurred on active service.

"It is stated upon reliable authority that, under existing insurance legislation, disabled men are even more severely penalized in regard to accident insurance than in the matter of life insurance. An applicant for sickness and accident insurance is required to make declaration in regard to his previous health. Invariably upon indication of head or trunk wound or any serious illness contracted upon active service the protection is refused.

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"It is therefore submitted that as the opportunity to protect his income would materially advance the re-establishment of the disabled soldier, inquiry into the matter would be justified.

"I am, sir,

"Yours faithfully,

"(Sgd.) C. G. MacNeil,
"Dominion Secretary-Treasurer,
"G.W.V.A. of Canada."

G. D. FINLAYSON recalled and examined.

By the Chairman:

Q. Can you give us any light on this?—A. I can see very great difficulty in attaching to this insurance scheme a provision for accident and sickness insurance. Even in the case of men in good health, the administration of a scheme of accident and sickness insurance is very much more complicated than the administration of a scheme of life insurance. It requires constant attention on the spot. A man has to be seen, the nature of his accident and injury has to be inquired into. The danger of fraud is immensely greater in accident and sickness insurance than in life insurance. I cannot see how the Government can very well provide the machinery necessary for administering such an Act; naturally it means enormous expense, and I am afraid there would be very great dissatisfaction, because the Government could not possibly deal with all the applications that would be made for sickness insurance. I cannot see how it could be worked out at all.

By Mr. Redman:

Q. What has been your experience under the present Act; how many disability claims have you had?—A. There are no claims yet.

By Mr. MacNeil:

Q. Is it not true that the disabled man is unable to obtain accident insurance?—A. I think it is quite true that he would have great difficulty in getting accident insurance.

Q. Would it not be possible to consider accident and sickness insurance in conjunction with treatment for recurring disabilities? The country is already under obligation to provide pay and allowances and treatment for men with recurring disability, and a scheme of accident insurance would to some extent underwrite that risk. A. It seems to me that should be done by some provision in the Pension Act rather than under the insurance.

Q. Would it be good insurance business?—A. I was going to ask Mr. MacNeil if it is the intention, say, to cover a man against sickness arising from any cause, or only from service.

Q. To cover illness from any cause. Could not the Government make some arrangement with the casualty companies to guarantee the extra margin of risk necessary for that purpose?—A. I do not think there would be very much advantage in trying to utilize the companies in that connection, for the same reason we decided not to utilize the companies in the case of the life insurance. The Government would have to stand behind the companies for all the additional work and claims they would incur; the companies would naturally look to the Government for advice as to how to deal with these cases, and the Government would have to incur the very same responsibility as if they were administering the measure itself.

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By Mr. Morphy:

Q. Would it not be possible to do something along the lines followed under the Workman's Compensation Act of Ontario, under which the accidents have to be reported by the employer of the workman to the Workman's Compensation Board, within five days, I think it is, and the claim must also be put in within a certain length of time? There is not as much room for fraud in that species of insurance, and I think it could be worked out in connection with the Insurance Branch, leaving the sick benefit out of it altogether.—A. The administration of the accident benefit would be very much simpler of course, for the soldier's employer is subject to the Workman's Compensation Act at the present time; in practically all the provinces, they have a Workman's Compensation Act with the exception I think, of the two provinces of Saskatchewan and Quebec. Quebec has a measure of compensation, but not to the same extent as the other provinces.

By Mr. Caldwell:

Q. Does not the fact that they have Workman's Compensation Acts in the various provinces limit the returned soldier's chance of getting employment?

The CHAIRMAN: That was pointed out to us last year and we proposed something along the line that Mr. Morphy has indicated, that is, that the Government should make good to the manufacturer the increased chance of loss incurred by reason of the employment of maimed men. Mr. Finlayson wants to make a statement with regard to the ruling of the Minister of Finance in the report which Mr. Morphy read to us.

WITNESS: Regarding that report, I would like to remove any impression there might be that there is anything in that ruling in the way of curtailment of the ordinary rights of the man under the ordinary insurance law. As it is, the insurance law provides that the contract is not in effect until it has been delivered. We go further than that, we say that the policy goes into force on delivery, but if the insured dies before delivery, but after the application has been dealt with, and approved by the department, investigation may be made and if the circumstances seem to warrant, the claim may be paid. We, to that extent, liberalize the legal rights of the insured through the exercise of that discretion on the part of the minister. Ordinarily in law, the applicant has no legal rights until the policy has been signed, sealed and delivered.

By Mr. Nesbitt:

Q. Under this Act, the minister does take the privilege of investigating and, even if the policy has not been delivered, the claim may be paid?—A. That is right.

Mr. NESBITT: I understand that is what Mr. Morphy recommended.

By Mr. Morphy:

Q. Section 3, of the ruling reads as follows:—

“In no case will the claim be admitted if the death occurs before the application has been examined and approved and so marked in the usual course by the department.”

A. Yes.

Q. In no case?—A. In no case, before the application has been examined and approved, there is no contractual relationship.

Q. That is all right, in fact, strictly under the law.—A. That is what I am referring to.

Q. My mind runs in a totally different channel. This way, this Insurance Act is for the benefit of the returned soldier particularly, and the provision for his depen-

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dents, is regarded as a matter for the State. It is not commercialized, it is practically a gratuity that is offered to the soldier, to do something for his dependents by way of insurance or special compensation, and I cannot draw any distinction between the man who has lived fourteen days after his application, and the man who, in good faith, without fraud, sent in an application with the premium accompanying it, and, unfortunately, dies before the fourteen days have elapsed. Why should not the law of this country be that the moment his application is made and the receipt given for that purpose, he should be insured?—A. I think, looking at it from that standpoint, it is a matter for consideration. I wanted to make it clear to the Committee that under that ruling we have not curtailed any rights the insured would have under the ordinary insurance law.

The CHAIRMAN: I would just like to put in for the consideration of the Committee a request from the Invalided Tubercular Soldiers Welfare League a request to this effect:

"We ask that the existing soldiers' Insurance Act be modified to include the children of tubercular soldiers and sailors, in view of the fact that they are at present seriously handicapped in securing insurance with ordinary companies."

I would suggest that we adjourn until Monday at 11 o'clock, and on that occasion we shall hear Mr. MacNeil's suggestion on behalf of the Great War Veterans Association regarding pensions.

The Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM, No. 435,

MONDAY, March 21, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Redman, Ross, Savard, Spinney, Turgeon, White (Victoria, Alta.), and Wilson (Saskatoon).—20.

The CHAIRMAN: We are in receipt almost daily of communications in reference to special cases and I have suggested to the Clerk of the Committee that instead of reporting these communications here and formally turning them over to the Sub-committee on special cases, they should automatically go to that Sub-committee unless the Committee is desirous they should be formally referred each morning. I think we could by this method short-cut a little of the unnecessary business.

Suggestion concurred in.

The CHAIRMAN: The question was asked by one of the members of the Committee how many five thousand dollar policies had been issued to date, and Mr. White has replied that up to the 19th of March, there were 846 such policies in effect, that is out of a total of upwards of two thousand. There is also an important resolution, which has been transmitted to us by the Secretary of the Board of Pension Commissioners,

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passed by the Calgary Branch of the Great War Veterans Association on the 27th of February last, as follows:—

“That the Federal Government be requested to include and administer the following section of the Returned Soldiers’ Insurance Act; this is the proposed amendment: ‘That every returned soldier, as defined in section 2 of subsection (g) of this Act is, and shall be hereby insured in the sum of \$1,000 by the Dominion of Canada, without cost to the individual, for a period of five years following the date of honourable discharge or retirement from the Forces. “And be it further resolved that copies of this resolution be forwarded to all Provincial Commands and the Dominion Command of the Great War Veterans Association, the Prime Minister of Canada, the Minister of Soldiers’ Civil Re-establishment, the Board of Pension Commissioners, and the Federal members of Parliament for East and West Calgary; soliciting their earnest consideration towards the adoption of the proposed amendment during the present session of Parliament.”

Mr. NESBITT: I move that the Clerk be authorized to have one hundred and fifty copies of the evidence printed each day.

Debate followed.

Motion agreed to.

The CHAIRMAN: Now, we will hear from Mr. MacNeil, the Secretary of the Great War Veterans Association regarding amendments suggested by that Association to the Pensions Act.

C. G. MACNEIL, called, sworn and examined.

The CHAIRMAN: Would you be good enough, Mr. MacNeil, to go into these recommendations and give us your views on them?

Mr. CALDWELL: May I suggest, before he begins, that it would be to the convenience of the members of the Committee if we had before us a copy of the Pensions Act so that we would know what the changes proposed are?

The CHAIRMAN: We have telephoned for them, and there are 25 copies on the way.

Mr. MORPHY: I presume that Mr. MacNeil knows the provisions of the Act, and he can give us the old and the new as he goes along.

The CHAIRMAN: The first recommendation is:—

“(a) That the pension awarded a widow, without children, or a widowed dependent mother with no dependents, be increased to \$75 per month without regard to income from any other source.”

By Hon. Mr. Bédard:

Q. What is the situation in that regard?—A. I am formally submitting these proposals, and I understand that you simply wish me to state our suggestions and give the reasons that we advance for them. I shall not attempt to go beyond that. Perhaps it is needless to remind the Committee that the present schedule is only possible because of the application of a 50 per cent bonus which expires in September, 1921, and it is submitted by the Association that this bonus should be permanently included in the pension, and that increased rates should be awarded to certain classes. The first group of proposals, including A, B, C and D, is advanced because of our conviction that the standard of maintenance under the pensions legislation should be in every way

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commensurate with the cost of living conditions. It is submitted by the Association that it should not be merely at the existence level, but should be a degree more generous. We base this suggestion on statistics which have been supplied by the Department of Labour, and which I have briefly prepared for submission to the Committee. (Reads):—

“Reference is made to the statistics published by the Department of Labour, which show an increase in family budget figures of \$3.21 per week in December, 1920, over December, 1919. These statistics are based on the expenditure of a family of five members and only deals with the cost of bare necessities.

“The total amount of the family budget for one week December, 1920, was estimated at \$38.76, compared with \$35.55 in December, 1919. This was divided among five groups, food, fuel, rent, clothing, sundries (including light, medicines, and all incidental expenses). Food in December, 1919, cost \$14.73, compared with \$14.84 in December, 1920; fuel, 1919, \$3.17; 1920, \$4.16; rent, 1919, \$5.54; 1920, \$6.62; clothing, 1919, \$6.42; 1920, \$6.64; sundries, 1919, \$5.69; 1920, \$6.50. These figures were based on retail prices and the amounts used by the average healthy family.

“The rapid increase in living costs since December, 1913, is indicated as follows: Family budget, for one week, in December, 1913, \$19.90; December, 1914, \$20.63; December, 1915, \$20.76; December, 1916, \$24.24; December, 1917, \$28.72; December, 1918, \$32.33; December, 1919, \$35.55; December, 1920, \$38.76.

“Of the five main items of household expense, fuel showed the greatest increase, the proportion being more than one-third over 1919 prices. Rents came next with between 17 and 18 per cent increase. Sundries increased about 15 per cent. Food showed the smallest increase. Declines in the prices of sugar and potatoes offset, to some extent, increases in some 16 other staple foodstuffs.

“The weekly rent average during December, 1919, is indicated as being \$5.54 compared with \$6.62 in December, 1920.

“During the late summer and early fall weeks certain necessities of life increased abnormally, according to the season. As winter approaches the prices of these articles find a normal level with other commodities. During the time of the abnormal prices the consumer must pay the higher price or go without. When the estimate of the fluctuation in living costs is made at the end of December, the percentage above or below the figure for the previous December is indicated as the variation. For instance, the Labour Department statistics this year show the family budget for one week in December, 1920, was \$3.21 more than in December, 1919; but the fact that the weekly budget in July rose to \$40.76, or \$5.21 more than the previous December, is not considered in the final analysis. As this abnormal state has obtained during the summer and fall months for the past three years, a true indication of the increase in the cost of living would be to take the percentage from the average for the whole year.

“The average increase per week for the 52 weeks of 1920, over the previous year, according to the Labour Department figures, works out at \$3.61. The average weekly budget is \$39.16, compared with \$35.55 for December, 1919. This would indicate approximately 10 per cent increase, whereas if the figure for December, 1920, is taken over that of December, 1919, it gives an increase of 9 per cent.”

By Hon. Mr. Spinney:

Q. Have you the scale for February—A. These figures are for December.

Q. These are the latest?—A. Yes, sir.

The CHAIRMAN: I have sent for the February and March numbers of the Gazette. I do not think they show the cost of clothing.

[Mr. C. G. MacNeil.]

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By the Chairman:

Q. Have you a special return from the department showing the cost of clothing?

—A. It is in the Gazette.

Q. I was not aware that they included clothing in their budget.—A. The statement I have read is compiled not only from the Gazette but also from statistics supplied by the Statistician.

By Mr. Morphy:

Q. Do I understand that these figures apply to a widow with a family or five?

The CHAIRMAN: The normal family of five, husband, wife and three children.

WITNESS: Or a widow with five children.

By Mr. Morphy:

Q. What I want to get is an idea as to how these figures would be affected by a rapid decline in prices, should that occur.—A. We submit that there has been no indication that way.

Q. Is this supposed to be a temporary scheme that you are advocating, a fluctuating scheme?—A. No, sir.

Q. Is this to be permanent?—A. We are asking that the present bonus be maintained and that the rates for certain classes be increased commensurate with the cost of living conditions.

Q. For how long?—A. Permanently.

By Mr. Caldwell:

Q. You want to make the bonus permanent?—A. Yes.

By Mr. Ross:

Q. You want the bonus and an increase too?—A. Yes, because we do not see hope of any decline in the cost of living.

By Hon. Mr. Béland:

Q. What is the pension for a widow with children?—A. \$60 per month.

Q. You say there has been an increase in the cost of living of about 10 per cent?—A. Yes, sir, but even \$60 per month was hardly commensurate with the cost of living conditions when it was made effective.

By Mr. Morphy:

Q. I would like to get your idea as to the permanency of this proposal? There has been a tremendous increase in the cost of living, but should the cost of living decrease in the next year, or the year after, would you justify keeping the pension the same, even if there should be a decline of 60 per cent?—A. We cannot concede, it is not reasonable to suppose, that there will be such a decline in the cost of living; but even if there should be a slight decline we contend that the pensions would not in any way be too generous. We cannot see, from the information supplied us by economists, that the cost of living will return to the pre-war level.

Q. The Committee is to understand that your proposition is for a permanent schedule which will not be altered?—A. Yes, sir.

Q. Unless raised?—A. It is suggested that the single widow receive \$75 a month and the widow with a child, in order to maintain her home, should receive \$100 a month.

By Hon. Mr. Béland:

Q. Will you refer to "b" again?—A. That the pension awarded to a widow with a child be increased to \$100 a month, plus the recognized allowances for children.

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Q. What does that mean,—“plus the recognized allowances for children?” You say the widow with a child should receive \$100 a month?—A. Yes, with a revision of the allowances for children proportionately.

By Mr. Nesbitt:

Q. That a widow with one child be given \$100 per month, and for each additional child \$150 a year?—A. We do not go as far as that. I would say that in accordance with the number of children there should be a revision of the allowances.

Mr. CHISHOLM: Upwards.

Mr. NESBITT: Or downwards.

Mr. CALDWELL: This \$100 a month applies to the widow with one child.

The CHAIRMAN: Yes. I think the wording should be: “plus the recognized allowance for additional children.”

Mr. CALDWELL: Yes, it is not clear there.

Mr. GREEN: I think you are wrong. I think Mr. MacNeil's idea is that the widow without children gets \$75 a month for herself; that the widow with one child gets \$100 for herself in addition to the allowance for the child.

Mr. DOUGLAS: That is the way I would read it.

By the Chairman:

Q. Mr. MacNeil can tell us—A. The point of the proposal is that the widow with one child is required to maintain a home, and requires at least \$100 a month to maintain a home properly. We would ask, if she had one child, that she receive \$100 for the home, plus the \$15 for the one child, and following that I would suggest, personally, I think it is the intention of the resolution that there should be a revision of the allowances as the number of children increase.

By Mr. Morphy:

Q. Do you mean \$15 for each succeeding child—A. No, sir, we will leave that open.

The CHAIRMAN: The present scale is \$15 a month for the first child, \$12 a month for the second, and \$10 a month for each subsequent child.

Mr. ROSS: Mr. MacNeil's idea is to increase those allowances to a larger sum.

WITNESS: No sir, there would be a revision in proportion to the number of children, so that the total income would not be too great.

By Mr. Ross:

Q. Your intention is that the first child should get \$15 and the next \$12 and the next \$10?—A. We leave that open. We speak of the wife and first child.

By Hon. Mr. Béland:

Q. Do you refer to that further down in your proposals?—A. No sir.

Mr. CHISHOLM: He says he does not expect to change the total. He expects to revise and make some additions, but he does not want the total amount increased or diminished—A. No. We are chiefly concerned with the circumstances of the widow with one child. At present she only gets \$75 a month. We maintain that under the present cost of living conditions she is unable to maintain a home properly for herself and that child on \$75 a month; that where a home is required there should be a maximum pension of \$100 a month. That is the chief intention of this proposal.

By Hon. Mr. Béland:

Q. So that it would amount to \$115 a month if she has one child?—A. Yes.

[Mr. C. G. MacNeil]

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By the Chairman:

Q. Then we come to (c)?—A. "That pension be awarded to all other dependent next of kin equal in scale to that proposed for a widowed mother without dependents." This refers to certain special classes where dependency was proven; where the soldier was responsible for the maintenance of this person, we felt that they should have the same consideration as the widowed mother without dependents, at the same rate of pension.

Q. To whom does that apply? For instance, in our report of last session we find at page 852—

"(b) To provide that a disability pensioner who is maintaining his father or mother, or both, in addition to his pension to his wife shall be entitled to an addition to his pension for each parent not exceeding \$180 per annum." Does it apply in that case or can you say?—A. There are certain special cases, say for instance the soldier was maintaining a dependent aunt not recognized as being in loco parentis, and who are not embraced in the present regulations.

By the Hon. Mr. Spinney:

Q. You say they should allow \$75 a month for next of kin,—the same as the widowed mother?—A. Yes.

The CHAIRMAN: Perhaps Mr. Ahern can tell us to whom this recommendation will apply. I have not it in my mind.

Mr. AHERN: Mr. MacNeil might refer to an aunt who was in loco parentis, and she is now drawing the pension because of having been maintained by the soldier. She receives the same as the widowed mother, but Mr. MacNeil wants to increase it.

WITNESS There is a difference of opinion as to the meaning of "in loco parentis." It is not always possible to prove it. There are certain cases which are beyond the pale of existing legislation. We are anxious to have it understood that all dependents next of kin should receive the pension, whether they stand in the relation of a parent or not.

The CHAIRMAN: I would suggest that we put that proposed amendment in shape so that we can see just where it leads to, because I have not enough knowledge of the matter to understand what it will cover. Those cases have not come before us.

Mr. NESBITT: And what it would cost.

The CHAIRMAN: The next paragraph is (d),—"that the scale of pensions for disabled persons be fixed at the monthly rate of \$1 per 1 per cent of disability."

WITNESS: At present the total disability man receives a pension of \$75 a month if single; if married and no children, \$100 a month, if married and one child \$115 a month, and so on. We base our submission in this regard on the cost of living conditions. We also wish to point out, in contradiction of the popular opinion, that there are comparatively very few totally disabled men so pensionable. Our chief difficulty in regard to such cases is in reference to class 14 and classes 4 and 5. They only receive the proportionate award of pension as determined by the ratio of disability. If the theory of pension legislation is to bridge the gap between the present earning capacity and the normal earning capacity it has not functioned during the past depression; the men are anxious to obtain work but they are not obtaining it, and they are not able to subsist upon their pensions. Take for instance a man under class 10 who has three children, and receives only \$76.25 a month. We ask that the scale be revised in such manner—we refer only to total disablement—that he receive \$100 per month if single, and that will be the index figure for the whole schedule.

[Mr. C. G. MacNeil.]

By Mr. Nesbitt:

Q. And the percentages go down on the same basis?—A. Proportionately graduated on the same basis.

By the Chairman:

Q. So that a man with fifty per cent disability would get—how much per month?—A. \$50 per month.

Mr. Ross: Under what class does he come?

The CHAIRMAN: Class 11—\$37.50.

By the Chairman:

Q. \$450 per year, \$37.50 per month?—A. I am not repeating the evidence placed before the Committee last year as to the relation of the pension to family conditions or the effect it has on the health of the children. On that subject I would specially refer to the report prepared by the Montreal branch of the Canadian Patriotic Fund giving the result of their observations in connection with their clinic among the soldiers' children, where they found alarming conditions, resulting from mal-nutrition, due largely to the economic factor that they were not in receipt of adequate income.

By Mr. Douglas:

Q. That large decline was in urban centres entirely. That does not apply all over Canada? A. It is pretty general throughout Canada. The cost of living is sometimes very high in the smaller towns and villages.

THE CHAIRMAN: You will recall Miss Helen Reid's evidence on that point last year.

WITNESS: I wish to remind the Committee that that evidence is before them already.

BY THE CHAIRMAN: Q. Now No. 2.—A.:—

"That the foregoing proposed regulations apply equally to the guardians of orphans of deceased members of the C.E.F., irrespective of the relationship of said guardians to said orphans."

By Mr. Nesbitt:

Q. What do you mean by that?—A. The object of that proposal is that in the case of orphan children, wherever the guardian assumes the responsibility of establishing a home for them, that the rate of pension should be sufficiently high to enable that home to be properly maintained. At present, it is only \$30 for one child, and for two orphans \$54. We submit that these rates are not sufficient, for any person who assumes the guardianship of these children, to maintain proper home conditions for them.

By Mr. Douglas:

Q. Under the regulations with regard to "in loco parentis,"—in just such a case as you are describing,—is there not some allowance made to certain relatives?—A. Not always, I have reference to special cases. I am referring to a special case, that of Pte. John M. Good.

Q. That is the one I had in mind, and it is, to my mind, a scandal.—A. The eldest sister was always the adopted mother to these children, and yet the Pension Board rule that:

"The eldest sister could not be considered as the foster-mother of the deceased, although she may now be acting in that capacity to her younger brother and sister, as the mother was living at the time of his death. No
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pension can be paid to the eldest sister as she is not now in a dependent condition, and was never dependent upon her deceased brother for maintenance."

Nevertheless this sister at considerable personal sacrifice and with great effort succeeded in maintaining the home for the fatherless and motherless children.

By Mr. Cooper:

Q. The pension would have been paid to the mother if she had lived?—A. The pension would have been paid to the mother if she had lived.

MR. DOUGLAS: I happen to know the particular case Mr. MacNeil has cited, this young girl took charge of that home, and took the part of the parent to these children, without getting absolutely any remuneration outside of the pension of the children.

MR. NESBITT: That is not covered by the Pension Act, that is not a question for the Pension Commissioners.

MR. CALDWELL: The Pension Act should be changed in that regard.

THE CHAIRMAN: Mr. Ahern, can you throw some light upon this case?

MR. AHERN: I have not been following this conversation,—it was with regard to this Good case, was it?

THE CHAIRMAN: It is regarding generally the fact that under the present law your Board cannot allow to the guardian, or the person in loco parentis,—the foster-parent,—the same pension you would allow to the parent, if that parent had been living.

MR. AHERN: I know that case.

COL. THOMPSON: It is a very outstanding case; I remember that unfortunately the mother died before the pension came into effect, and therefore under the Act this girl cannot be pensioned as the foster-mother of the children. The proposition, when I was out there, was that the children should be taken charge of by certain families, but the girl objected very much to that and wanted to keep them. I suggested at the time I was in Ottawa that we should pension the foster-mother, but it was pointed out to me in a number of cases I was considering—I did not have a chance to consider the Act—but the legal adviser and the Commissioner wired back to the effect that it was not possible,—that she could not, under the Act, be considered the foster-mother; it was beyond the pale of the Act, but she was trying to keep the family together. It was perhaps an evasion of the Act, but what we thought we would do in that case was to pension her as the eldest of the family for two or three years to enable her to continue to keep the children together.

MR. NESBITT: The children would get a pension would they not?

COL. THOMPSON: All were drawing pensions except the eldest girl.

MR. DOUGLAS: If that girl had been no relation to these children, would she not have been able to draw money in the capacity of "loco parentis"?

COL. THOMPSON: No. If the mother had died before the soldier died, then the girl was five or six years older than the brothers and sister, and we could have pensioned her as the foster-mother.

MR. DOUGLAS: You mean that because the mother died after the soldier the situation was entirely reversed?

COL. THOMPSON: Under the Statute. The foster-mother refers to the soldier and not to the children.

THE CHAIRMAN: Are these children the brothers and the sister of the deceased soldier, or are they his children?

MR. AHERN: The children of the deceased soldier; therefore she could not be considered the foster-mother.

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MR. NESBITT: The Statute certainly would not cover that, as far as I know.

THE CHAIRMAN: I think this is a special case that should be remitted to the Subcommittee on Special Cases, so that this file can be drawn and looked into and we can consider whether it is necessary to alter the Act.

COL. THOMPSON: We went as far as we could in that case under the Act.

By the Chairman:

Q. No. 3. "That the herein previously proposed pension be paid to the widow and children of a former member of the Forces, who, previous to the war, had deserted his wife and family."—A. We think that amending legislation is necessary to deal with some cases of acute hardship. I can, perhaps, illustrate that best by referring to a case which has recently been appealed before the Board of Pension Commissioners, that of Mrs. X.

COL. THOMPSON: I happen to know all about that case, I recall it very well.

WITNESS: I give this case merely as an illustration of the conditions which have prompted us to advance this proposal. I realize that under existing legislation it may be difficult for the Board of Pension Commissioners to award a pension, but in some respects at least it throws a good deal of light on this problem. My information with regard to this woman's claim is that her husband was discharged on December 3, 1918, as medically unfit, and died on the 10th May, 1920, while undergoing treatment under the D.S.C.R., from disability attributable to service, which would ordinarily make a pension payable. Mrs. X. drew Separation Allowance during the period of his service, and also drew a similar allowance from the D.S.C.R. The deceased soldier was separated from his wife for some time prior to enlistment, because of his intemperate habits. The deceased, however, indicated his desire to support Mrs. X. and her three children, who should have been maintained by him throughout this period. The dependency in this instance was accepted at the time of his enlistment, and subsequent to his discharge from the army, he corresponded with his wife, stating that, as soon as his circumstances would allow, he would assume the responsibility for her maintenance. A further statement was made by him to Father Blanchette, O.M.I. of the City of Hull, who, I believe, acted as an intermediary for the purpose of effecting his reformation and reconciliation with his family. In this case, the claimant did not relinquish her legal right to maintenance by the soldier. In appealing the case, we ask that the Pension Board exercise the discretion which is provided in the Act.

By the Chairman:

Q. What section?—A. Subsection 5 of section 33, (reads):

"The Commission may, in its discretion, refuse to award a pension to a widow of a member of the forces who, at the time he became a member of the forces, and for a reasonable time previously thereto, was separated from him and was not being maintained by him during such time."

We think this is a deserving case, where the lady was of most excellent character, and for several years showed commendable courage in undertaking the education and support of her children. But for the war, there would have been a reconciliation for the husband gave every indication of reforming. We think there should be some consideration shown.

MR. NESBITT: Was that case not before the special sub-Committee last year?

WITNESS: No sir.

Colonel THOMPSON: I rather think it was; at all events I know the facts.

THE CHAIRMAN: Would you like to hear Col. Thompson on this case? It seems to illustrate the difficulty which we have considered on former occasions.

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Colonel THOMPSON: The woman in question is a very industrious hard-working woman with an excellent reputation. I have known something of her for a number of years. She is employed at something in the Supreme Court. The facts are that she separated from her husband and remained separated for sixteen years before he enlisted, and during those sixteen years he contributed nothing whatever to her support. He enlisted, and after she discovered that he had enlisted, she appeared before the authorities, and a compulsory assignment of pay was made. That was continued for the short time that he was in the service. I think he got to England and was a very short time there. He was sent back and was then discharged. When he was discharged, he immediately left her and went up to the lumber shanties and contributed nothing whatever to her support. As soon as he was discharged she made a long affidavit setting out the facts—that she had been separated from him for sixteen years, and that during that period her son, who was in the forces in France, had been her main and sole support, and that during the sixteen years she had received nothing from her husband and was receiving nothing at that time. On that affidavit the separation allowance of \$15 and the assigned pay on behalf of the son were transferred to the mother. The husband then came down from the lumber shanties, but, far from being reconciled to his wife, he stayed with his sister in Hull. He came back with quite a sum of money. He had said that he would be willing to support his wife as soon as he had money. He had, I think, \$700, but he did not support her, and he was taken ill in his sister's house.

By the Chairman:

Q. The statement was made that he underwent treatment?

Col. THOMPSON: He did undergo treatment and while under treatment the allowance was continued to his wife. When he came back from the bush he went and stayed with his sister in Hull, and she received whatever he had.

By Mr. Douglas:

Q. Did he die from the effects of service?

Col. THOMPSON: It was so held.

Hon. Mr. BÉLAND: What did the sub-Committee decide last year in regard to this case?

The CHAIRMAN: There seems to be some doubt as to whether this particular case was before the sub-Committee last year. There were several cases of desertion.

Mr. NESBITT: My recollection is that it was,—that there was a quarrel between the husband's sister and his wife. I may be wrong as to the name, but the reference to Hull brings the case back to my mind. There was a quarrel between the families as to who had the right to get any benefit that there might be from the department, or from one of the Militia Departments. We went through the files very carefully on all these cases, and came to a unanimous conclusion. I cannot tell offhand what our recommendation was.

THE CHAIRMAN: There seems to be some doubt in the Secretary's mind as to whether this was the case that came up last year. He thinks it was the case of another soldier whose relatives lived near Hull. However, I do not know that very much turns on that. Mr. Cloutier is trying to find out. In any case this case will be submitted this year and considered.

MR. MACNEIL: I am bringing up this case to show that there is very good reason to suppose that there will be many similar cases where it would be in the interests of the country to pay a pension.

By Mr. Ross:

Q. What salary is she earning?—A. I have no idea.

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Q. Has she any children dependent on her?—A. I think there is one girl.

COL. THOMPSON: Her boy who was in the forces is discharged. In her affidavit she stated that both her husband and her son had enlisted. The husband was discharged and she received no more separation allowance in respect of the husband. But she made an affidavit that her son had been her sole support for sixteen years, and she got separation allowance in respect of the son.

MR. ROSS: Do you know what salary she is getting in the Supreme Court?

COL. THOMPSON: I do not know as to what. To be perfectly fair to Mr. MacNeil, I may say that he has brought up perhaps the weakest case he could bring up. As a matter of fact, Mr. MacNeil could have picked a great many better cases for his argument. There are some quite on the border line.

MR. CHISHOLM: It shows how fair Mr. MacNeil is.

COL. THOMPSON: I will cite you one that has been brought to our attention on a number of occasions. It is a Western case. The man and his wife and daughter were living in England. He came out to Canada about three years before the war. The evidence showed they were on quite good terms in England. He came out presumably to make a home for his wife here. She received no money from him from the time he came here, although he wrote on one or two occasions to her in England. After a while the letters ceased. She tried to find him. While there is no evidence on the point, it looks very much as though he shifted from place to place when he found inquiries were getting warm as to where he was, although he was leading quite a respectable life. At all events the facts are that he was in the employ of one of the railways in Winnipeg, but after a time he shifted again, and the result was that for four years she never heard anything of him.

Witness retired.

Col. JOHN THOMPSON, recalled and examined.

By Mr. Douglas:

Q. All prior to the war?—A. Yes. Although she tried to follow his movements, and tried to get in touch with him and find out what had become of him, he never replied. He enlisted as a single man, went overseas in one of the battalions, and never called to see his wife or family in England, went over to France and was killed, and his wife came out to Canada for the purpose of realizing on whatever estate he had. As a matter of fact I do not think he had anything, but she was informed that he had. We gave no pension in that case.

Q. You gave no pension?—A. No.

Q. That is a stronger case than the other?—A. Yes.

By Hon. Mr. Béland:

Q. I would like to know from the colonel whether the Board has any discretion in granting a pension to an orphan child who was abandoned by his father, or left in the care of his grandfather before the war for a number of years. The man enlists, goes overseas and falls. Is there any discretion in this case in the Board to grant a pension?—A. Yes. We can pension practically any child.

By Mr. Nesbitt:

Q. Up to a certain age?—A. Yes, under conditions, except those mentioned.

By Hon. Mr. Béland:

Q. Here is a case which I brought to the attention of the Pension Board many times. Two children without their mother are left in the care of their grandfather [Col. Thompson.]

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by their father, who goes to the Yukon a number of years before the war. They never heard from him except on one occasion when he sent some money; but otherwise he disinterests himself entirely in his children who are in the care of the grandfather, as he knows. He enlists, goes overseas and falls. The grandfather becomes a poor man, cannot support the children, and asks for a pension for one of the children who is unable to earn a living, although he is about 17 years of age; and the pension is refused on the ground that the father has not, for a number of years, supported his children; what would you say as to that case?—A. If there has been an adoption for years like that, as a rule there is no pension.

Hon. Mr. BÉLAND: What is Mr. MacNeil's view on this point?

Mr. MACNEIL: I have not clearly the details in my mind, I would not like to express an opinion.

Mr. ARTHURS: In the case where a pension is granted to a child under similar conditions, it would amount only to the pension of an orphan, it would not be the ordinary pension of the next of kin. It would be confined to that.

Col. THOMPSON: Yes. As a rule if a man has abandoned his family we look after the children.

Hon. Mr. BÉLAND: The reason you would not grant a pension in some of these cases is because the man abandoned his children long ago.

Col. THOMPSON: Yes, on the ground that the guardian has adopted them and they are practically the guardian's children.

Mr. CHISHOLM: And you pension them.

Col. THOMPSON: No, not if they are abandoned in such a way that they have been adopted since.

Mr. DOUGLAS: But if the children are left in the care of the grandfather would that be adoption?

Col. THOMPSON: I would like to see the file before answering. That looks to me as if they had been adopted, but I could speak more definitely if I had the file.

Hon. Mr. SPINNEY: I have a case in mind of a man who deserted his wife and child and became associated with another woman. He went overseas and fell. The pension was assigned to the illegal wife, the legitimate wife receiving no pension, and the child is receiving no pension, and is under the control of the father of the legal wife, on account of this wife having to earn her own living, but the legal wife gets no pension.

Col. THOMPSON: The legitimated child, as I understand, is receiving no pension.

Hon. Mr. SPINNEY: No.

Col. THOMPSON: Yes, there is a large number of cases like that.

Hon. Mr. SPINNEY: I think it is wrong.

Col. THOMPSON: It is the statute.

Hon. Mr. SPINNEY: The statute should be changed.

Col. THOMPSON: They should pension the child in that case.

Hon. Mr. BÉLAND: In clause (3) you say "That the herein previously proposed pension be paid to the widow and children of a former member of the forces, who, previous to the war, had deserted his wife and family."

Mr. MACNEIL: Yes.

Mr. MACNEIL recalled.

By Hon. Mr. Béland:

Q. You mean orphaned children?—A. Yes.

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Q. Would it have to be specified?—A. We only brought the resolution forward in general terms. We would assume it means—

Q. You assume it means the orphan children?—A. Yes.

Mr. CHISHOLM: I want to submit a concrete case to you, Mr. Thompson. A man leaves his children with a certain party—his father-in-law. He goes abroad, and the mother is dead some years ago. This man goes across, comes back home, and abandons his family altogether, and they do not know where he is. There are five children supported by a very poor old man. They are now very young, 8, 9, 10, 11 and 12. What do you do in a case of that kind?

Col. THOMPSON: No pension there unless the man is under disability when he is discharged.

Mr. CHISHOLM: But we cannot find him and do not know where he is.

Col. THOMPSON: I presume he was discharged fit, and therefore there would be no pension. If he was discharged with a disability we would continue to a certain time and probably pay him pension.

The CHAIRMAN: I would suggest that members give the names of these cases to the secretary, who can draw the file, and the sub-committee can deal with these cases and can refer them back to us.

Mr. MACNUTT: Would not the Patriotic Fund cover that case?

Mr. CHISHOLM: Yes, but there is another fund which is supporting them just now.

The CHAIRMAN: Number (4) is an important matter and one that has come to us from several other sources already,—“That no deduction in pension be made because of the fact that the pensioner or dependent may not reside in Canada.”

Mr. MACNEIL: This is a burning question with pensioners resident in the States. This may be divided into two or three classes. There are of course the widows of men who fell who are now residing in the States, and probably resided there before, or they have joined their friends and relatives. There are also disability pensioners who were enlisted in the United States as British subjects by the British-Canadian Recruiting Mission, or American citizens who, because of their desire to support the allied cause, left their homes, came across to Canada, and joined the C.E.F. before the United States entered the war. And there is also quite a large class of men—Canadians' discharged in Canada—with serious disabilities who have now migrated to the States because of milder climatic conditions; men who claim that because of disability they must seek residence in Florida, California, Middle Texas, or the Middle Western States because they find it impossible to endure the severe Canadian winters. In the schedule it is clearly indicated that the bonus awarded last year of fifty per cent was not made applicable to pensioners not domiciled in Canada. This is the condition—take for instance the pension of \$600 payable to a totally disabled man; the bonus outside of Canada is \$120. But in Canada it is \$300. The disability pensioner residing in the United States consequently suffers a very severe impairment of his income. I can mention many very pathetic cases,—it must be remembered that in addition to this deduction from their pension they also suffer, as a result of the adverse rate of exchange, to the extent that a man who is perhaps receiving a forty, fifty or sixty per cent pension in the States. By the time he pays the exchange, he gets very little income, and his plight is very serious indeed. We submit this proposal because, as we consider, any discrimination is a distinct breach of the contract made with these men who were enlisted irrespective of their place of residence at the time of enlistment, (and they were accepted for service), and who served and either fell in service or suffered disability. They are certainly entitled under the terms of their enlistment to full participation in the post-war benefits which have been provided by the Canadian Government, with the

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exception, perhaps, of the benefits of the Soldier Settlement Act which it is obviously impossible to extend to those who reside outside of Canada. But as regards pension, medical treatment, pay and allowances—in all of which respects these men are discriminated against, we feel that they should have the full share that the men residing in Canada get, particularly with regard to pensions. I am requested by a large number of organizations of ex-C.E.F. men now residing in the United States to bring this matter most emphatically to the attention of the members of the House of Commons and to the attention of this Committee.

By Mr. Arthurs:

Q. Does that include the case of widows now residing in England?—A. Yes, Sir, as well.

Q. You have not included them in this suggestion?—A. But we cover the whole ground; they are also dealt with in this clause.

Q. You are asking for equal pensions, or that this Government should make up the difference in exchange? You are quite willing to accept the one or the other?—A. I do not discuss the exchange question.

Q. You are willing to accept the one or the other, I mean?—A. I am not discussing exchange: In England they get the benefit of the exchange and in the United States they do not. Another important reason why we think that, in the interests of the country this question should be dealt with, is that the result of this legislation is to flood the large American cities with dissatisfied Canadian pensioners. Very legitimately, the complaint is that they are not receiving proper attention from the Canadian Government. This complaint is, time and again, receiving attention from the Hearst newspapers and has been used, most unjustly, as propoganda against the British and Canadian Governments. Everywhere our organizations are confronted with this anti-British propoganda, and they are appealing most strongly that this condition be remedied, because they cannot see that there is any justification for such penalizing of pensioners in the United States. I am referring to the United States particularly,—I include also the United Kingdom,—but the question is particularly acute in the United States because of the tremendous migration of Canadian Pensioners and their dependents across the line.

Mr. NESBITT: Might I ask a question? What is the number of pensioners in the United States?

Mr. AHERN: I can give you the figures up to a year ago, but I will get them later up to date.

Mr. ARTHURS: Has there been an increase?

Mr. AHERN: There has been an increase.

Mr. NESBITT: I will ask you to give us a list showing the number of pensioners in the United States up to date, as soon as possible, showing the number and also the amounts paid.

Mr. MORPHY: I think the principle of this proposition should be considered here and discussed. I can see no reason, myself, why the Canadian soldier on the other side of the line or abroad should not be treated in every respect the same as the man who is here; they both performed the same service, and are entitled to the same benefit, irrespective of their place of residence.

The CHAIRMAN: That is, of course, an absolutely legitimate question to be discussed when the Committee is in executive session. I think if we could get through with Mr. MacNeil first, unless you are laying the foundation for some other question, —I do not wish to interfere.

Mr. MORPHY: It did appear to me to be capable of being discussed just now; I thought this was the time to discuss it.

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The CHAIRMAN: We have a pretty long programme, and it all depends upon whether the Committee would like to take up the discussion just now. I have here a pile of correspondence on the very same question.

Mr. MORPHY: I am not pressing it.

WITNESS: Here is a typical statement by a pensioner residing in the United States, a statement such as some of those which appear in the American newspapers and are furnished to organizations such as ours in Canada. It is from Charles S. Wheatley, an ex-member of the Canadian Engineers, as follows:—

“May I first say that as soon as it becomes practicable for me to do so, I am going to Canada to live, some of the reasons being:—(1) I am interested in Canada’s growth and welfare; (2) I wish to do my trading in Canada, because my pension comes from there; (3) the general higher cost of living here in the U.S. (4) the money exchange humbug cuts deep into my pension. Nothing but obligations to family ties due to old age and illness, has stayed me from living in Canada up to now.”

It was argued, I think, at the last meeting of the Committee that the living costs were lower in the United States than in Canada, but I have evidence here showing that the average cost of living in the United States is higher, and the wage standard also is higher than it is in Canada. He goes on to say:—

“In the New Hampshire town where I am temporarily living board is ten American dollars (\$10) per week, but in some other towns it is \$9. Of late, and by special arrangement with sympathetic and generous, but poor, relatives I get boarded for less. The price of coal prohibits most of the common people from affording any, and wood is war-high and so with shoes and clothing. At this writing owners of dairy cattle hereabouts, are going from house to house trying to sell quarters of beef killed because of the high prices of feed.

“I do not wish to contradict nor to cross in any way the honourable gentlemen of Parliament, but I am curious to know just whereabouts in the United States living or working conditions are, in themselves, of distinctive attractiveness, enough to draw Canadian crippled veterans away from Canada, as represented by members of Parliament in defence of their pension bonus discrimination stand. In a few odd places in the United States, places temporarily less affected by the odorous influences of the mulctor-patriot class of merchants and tradesmen—in a few such rare places some things may be had cheaper than in Canada, but the high money exchange rate imposed upon the Canadian pensioner, by the American money exchange kings offsets any benefits of lower prices in those rare odd places where such benefits possibly exist, so that the pensioned Canadian veteran in the United States bonussed down to a second-rater finds himself a double loser through no fault of his own.

“Canadian history and Canadian records prove that this discrimination towards war veterans will not prevent some from making their way like other folks to the States, for it is and always has been a regular and natural event for Canadians and Americans to cross the border to live—with Canada generally getting the best of it in numbers of received.

“According to recent reports nearly fifty thousand American farmers sold out and moved to Canada during the past year because their money will go farther there.”

I am just quoting from his letter to show the nature of the majority of complaints received.

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By Mr. Douglas:

Q. He says he is in a New Hampshire town? A. Yes.

Q. Why does he live there? It cannot be from climatic conditions. A. He is forced to live there because of domestic conditions,—“nothing but obligations to family ties due to old age and illness has stayed me from living in Canada up to now.”

By the Chairman:

Q. Now we come to clause 5. (Reads)

“That in the case of a pensioner suffering from a disability incurred in a theatre of war, no deduction be made because of disability shown to have existed prior to enlistment, and that section 25, par. 3, of the existing Pensions Act be accordingly amended.”

A. We brought this forward last year and were assured by the Board of Pensions Commissioners that that would be done; but subsequent to that cases have constantly arisen where there seems to be a difference of conception as to the meaning of the word “obvious.”

THE ACTING CHAIRMAN (Mr. Nesbitt): May I read the clause in the Act? (Reads)

“No deductions shall be made from the pension of any member of the forces who has served in a theatre of actual war on account of any disability or disabling condition which existed in him previous to the time at which he became a member of the forces; provided that no pension shall be paid for a disability or disabling condition which at such time was wilfully concealed, was obvious or was not of a nature to cause rejection from service.”

WITNESS: Here is a case by way of illustration that is now being dealt with by the Board of Pension Commissioners. I do not know what the final adjustment will be. It is the case of Private Arthur Atlee. It may be another weak case but it will serve as an illustration. This man had cataract in one eye. His medical history sheet shows two enlistments. He knew that his eye was slightly defective when he first enlisted and said that there was a little trouble with his eye. I think he mentioned it to the medical officer. At any rate, he was accepted, but deserted in order to enlist in a unit where his friends were. He was accepted the second time with this eye condition, and went to France. He is now discharged and has asked us to appeal to the Board of Pension Commissioners for an award of pension. I speak with reluctance in regard to this case, but it forcibly impresses itself upon my mind as being to some extent illustrative of the necessity for some clear definition of the word “obvious” in the Act.

By Hon. Mr. Béland:

Q. What would you recommend in this case? A. The cataract is now visible but we recommend that a pension be awarded as he is blind in one eye.

Q. On what ground? A. That his disability was not obvious upon enlistment. He knew nothing of it, and he was accepted for service and sent to France. There should be recognition of the fact that his disability was aggravated by service conditions.

By Mr. Morphy:

Q. Is that the only disability he has? A. Yes, so far as I am aware.

By Mr. Brien:

Q. It would not necessarily be aggravated by service?—A. I know nothing of the medical phase but it strikes me that a disability like cataract should justify the payment of a pension.

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By Mr. Arthurs:

Q. The difficulty is this, that if we remove the section giving the Board discretionary power in the matter, what about those cases of men who went over suffering from rheumatism, England being considered as an actual theatre of war? Personally, I have experienced much difficulty as no doubt you have, in dealing with such cases. The man who has actually suffered in the theatre of war compares his case with that of the man who is receiving at the present time a considerable pension for rheumatism. One man enlisted to go to France but got no further than England. That is one of the troubles we have, and if you remove this clause, how are you going to provide for a case of that kind? A. We are not asking for the complete removal of the clause; we do not wish that a pension be awarded for disability which is clearly not attributable to service. But we claim that in all cases where there is a reasonable doubt that the disability arose on, or was due to, service, a pension should be awarded. I believe that in the majority of cases they do pay pensions.

Q. There has been a good deal of trouble over the rheumatism cases. A. It would be very difficult to say that rheumatism was not aggravated by conditions of service, even in Canada.

Mr. MORPHY: Major Burgess would like to say something.

Major BURGESS: I would like to give you what we consider to be the meaning of the word "obvious." Sub-section 3 of section 25 of the Act says at the beginning "No deduction shall be made from the pension of any member of the forces who has served in a theatre of actual war." Of course, if the disability has been incurred in the actual theatre of war, he gets a pension. There is no deduction. Or if the disability occurs outside the theatre of war, he gets it. I presume that Mr. MacNeil is referring to the definition of the word "obvious." What we consider as obvious is a condition which is obvious to a layman on examination. We presume that the man has been stripped when being examined, and the loss of a toe, or the portion of a hand, or the portion of a foot, would be considered obvious to a layman. It is not what we consider obvious, but what would be obvious to a layman. Rheumatism would not be obvious unless the man was so crippled up as to give good evidence. Rheumatism is not considered obvious. I know something about the case that Mr. MacNeil has brought up, though I do not know all the details; but if a man has a cataract in his eye, that man undoubtedly suffers from a high degree of defective vision, and that would be considered as obvious. If the man's cataract was not obvious, his vision would not be very much affected. If the man's eyesight was very seriously impaired, those with whom he came in contact would know it. It would be obvious. But if a man suffered from a slight impairment of vision only, it would not be obvious. The word "obvious" applies in most cases to those who have lost a portion of their hand or of their foot, or to those who are blind in one eye. That is the class of case that comes within the definition of the word "obvious."

Mr. REDMAN: What about wilful concealment?

Major BURGESS: I will give you a case, that of a man who was in the United States army and was discharged for T.B. He was awarded a pension for having one hundred per cent T.B. He "hopped across" the border, and by some means or other, got into the Canadian service. He served two or three weeks, and was discharged. That is a case of wilful concealment.

Mr. REDMAN: There the man had previous knowledge of his disability.

The CHAIRMAN: Are we through with clause 5?

WITNESS: There is also a T.B. case. A review of the medical documents in the case of N. Charette shows that he had two enlistments in the Canadian Expeditionary Force. His first enlistment was from January 12th, 1916, until July 22nd, 1916, and [Mr. C. G. MacNeil.]

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that he was discharged with no disability contracted or aggravated during service. He enlisted again on July 7, 1918, and shortly afterwards was found to be suffering from pulmonary tuberculosis, for which he was admitted to hospital and later taken on the strength of the D.S.C.R. This man's history shows that he had two enlistments.

Mr. NESBITT: I would like you to send these T.B. cases to the special sub-committee.

Major BURGESS: In the case of tuberculosis, where the man served in the theatre of actual war, there is no deduction of pension because of previous disability.

WITNESS: It is a question of whether the disability is quite obvious. Here we have a case of two enlistments, which means that he must have passed two medical boards. He went to France and stayed there for some time and must have passed a medical board. He is now blind in one eye. He himself relates his story in quite an honest manner, claiming that this disability was due to the hardships and exposure of service, and that these hastened his blindness. He is blind to-day, and yet is unable to obtain a pension. He served in France, and we contend that his disability could not have been so very obvious at the time of his enlistment, if he successively passed two enlistment boards and other medical boards. I bring this case up to show why there is a demand for this proposal being again considered by this committee and by Parliament.

The CHAIRMAN: These special cases will also be referred to the sub-committee. Now we come to clause 6.

"That the definitely recognized principle of the G.W.V.A. that all pensions should be equalized without consideration of rank, be reaffirmed in accordance with the requirements herein previously set forth."

By the Chairman:

Q. You just reaffirm your position? A. Yes, Sir, it has already been stated before the committee and we again wish to put it on record.

The CHAIRMAN: We have other resolutions, one from the Grand Army of Canada, to the same effect. Then clause 7 reads:

"That the Government make provision whereby former members of the Forces, classified as "hip amputation cases," or who are unable to wear an artificial limb, because of medical reasons, be awarded a higher rate of disability than if they were able to wear such an artificial limb."

WITNESS: Those are brought at the request of the amputation cases themselves. They still felt that they should receive more.

The CHAIRMAN: We are asked by the association or club of amputation cases to hear a deputation from them, and this will cover the point now before us as well as the other point. Then number 8 reads—"That provision be made for the payment of pension to dependents of those who die subsequent to discharge, and where weakened vitality resulting from war service has been a contributing cause of death."

WITNESS: That has always been a point of contention between the pension claimants and the Medical Advisors' Board of the Pension Commissioners. I could bring forward a large number of such cases. I think the Committee will appreciate the case by a general statement in regard to it.

Mr. ARTHURS: I would like to bring a case before the Committee. A man came back to Canada suffering from tuberculosis, was in various sanatoria, was discharged, and pensioned one hundred per cent, apparently incurable; that is his sputum was negative on three or four succeeding occasions. This man married. During the epidemic of influenza a year ago last Fall he died, his medical certificate clearly showing

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the cause of death. The widow was refused the pension to which she was entitled under clause so and so; that is in the case of a man with a disability of over 80 per cent she should secure pension. This man died from the disease from which he suffered overseas. His wife was not eligible because she had not been married before the disease developed. It developed subsequently. I think it is a very hard case, and one which should have the consideration of the Pension Committee. This man clearly, according to medical testimony did not die of the "flu," and yet it was one of the cases mentioned by Mr. MacNeil where death was caused by the weakened condition of the lungs.

Mr. REDMAN: That is a different point.

Mr. COOPER: Section 10 covers that, I think.

Major BURGESS: Under Mr. MacNeil's proposal number 8, where weakened vitality resulting from war service has been a contributing cause of death, if it is demonstrated the man's vitality was weakened, and consequently he was predisposed to the disease from which he died, or that it rendered him more likely to succumb to the disease, the case is eligible, but you would be surprised at the cases that are brought up in which that argument of weakened vitality is used. I have in mind one case where that argument was used, where the man was in bathing and could not swim, and got in a place where the current was very swift, and he slipped on a stone and was drowned, and the argument was used that if his vitality had not been weakened he would not have been drowned.

WITNESS: I am only referring to cases such as where, for instance, a man was pensioned for a heart condition, and had to undergo an operation, say for appendicitis, and dies under the anaesthetic. We contend the heart condition contributed to his death. It is only such cases as that.

Then as to the evidence submitted by the medical advisers in regard to the cases of men being gassed. They show the history of men being slightly gassed, and they now report that they are suffering from a condition of the lungs due to the gas poisoning. There may be no record that they did suffer from gas poisoning. The question is debateable, but we think there are a large number of such cases. There are also those who show a mental weakness. There is one case that Mr. Wilson is more familiar with, where, following the history of neurasthenia a man committed suicide, leaving his dependents in distressing conditions. We claim that if the mental disturbance was in any way caused by the war service, and he committed suicide subsequently to discharge, some consideration should be given the dependent, and that the case should be reconsidered.

Major BURGESS: We have pensioned very many cases where the men have committed suicide while in the state of mental unsoundness. As to this case Mr. MacNeil brought up, there is no argument about it. We do pension them. There may be cases where there are special circumstances, but those circumstances must be quite clear; but in the case where a man is neurasthenic as a result of his war service, and becomes melancholic, and commits suicide, pension is awarded in respect of that man.

The CHAIRMAN: Then we will take up number 9.

WITNESS: Number nine reads—"That the percentage of disability awarded a pensioner by a medical board, if satisfactory to the applicant, should not be subject to review or revision at Ottawa, this resolution not to interfere with the applicant's right of appeal if dissatisfied with the award." I may say in explanation of this clause that recently—although this has been brought before the Committee time and again—recently we are in receipt of a large volume of complaints that the pensioner is advised that he is to be recommended pension at such a rate, and subsequently the recommendation of the examining officer is not approved at headquarters. There is a large volume of complaints, and we forward them.

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Hon. Mr. BELAND: In all these cases the Central Board has not been in touch with the man.

WITNESS: That is the contention.

Major BURGESS: That question has always been brought up, that the Central Board in Ottawa cut down the recommendation in regard to pension. Of course you remember some years ago pensioners were examined by medical boards in different districts, and at that time they did make recommendation as to the pension which was often changed, but now these men are examined by our own doctors, and the finding of those doctors are never questioned; that is, it is not a question of a doctor in a district saying "I think this disability is fifty per cent," and the doctor in Ottawa saying "It is only twenty-five per cent." That is, his professional findings are not questioned. It is a matter to be ascertained by examination of the man and by the documents. It is brought out by documentation. The doctor in the district would examine the man, and does not know the history of the case, and he will award twenty per cent. That case comes to Ottawa, and it transpires that the disability is purely the result of misconduct for which he is himself responsible. It is wholly a question of records. The doctor in the field never has his clinical findings amended, if the doctor substantiates the finding. That is the position and his findings are not questioned, unless he is absolutely wrong. If the doctor in the field gave fifty per cent for the loss of an eye, that would be cut down, because that is more than the law allows.

Mr. NESBITT: In other words, you would refer to his file.

Major BURGESS: Yes, we have his headquarters file, and the regimental file, and the documentation of that man, which are not obtainable in the district; but if the doctor in the district says he has bronchitis and we find so and so, and it is shown that is due to service, that is not cut down.

The CHAIRMAN: Let me understand, Dr. Burgess the local medical officer, that is, your own medical officer, not only gives you the diagnosis of the man's condition, and the technical history of his condition, but he, as well, determines the rate of pension.

Major BURGESS: He does.

Mr. DOUGLAS: That is a recommendation only?

Major BURGESS: He sees the man, he examines the man, and he tells this man "You have a fifty per cent disability." Now in the majority of cases that doctor knows the man's whole medical history and he can tell him "I think you are fifty per cent disability, and we give you so much pension." But there is the other case where the man walks into the district office,—there is no file there,—the man walks in and says to the doctor: "I have a cold and want to be examined, I got it on service." The doctor says, "All right," and he examines him and he says to the man: "You have fifty per cent disability, but whether you will get fifty per cent pension I do not know, because I have not the record of your case. I will submit it to Ottawa, and I will be advised further in reference to the matter."

Hon. Mr. BÉLAND: Well, there is no possibility of cutting down in that case, because there is no fixing by the district doctor.

Major BURGESS: No.

Hon. Mr. BÉLAND: There is no possibility of cutting down by the central Board.

Major BURGESS: If the examining doctor says: "This man has fifty per cent disability," and his findings indicate it, there is no question whatever about its being passed; but if there is a question,—for instance, if it has been brought out, and it is shown by the Board, the man's medical history, that it arises from causes that were obvious on enlistment, and it was a case in which there was congenital defect,—the medical officer in that district has not that history before him—it may be cut down here, if the records indicate that it should be.

[Major Burgess.]

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Mr. MORPHY: That is if the records indicate that it should be cut down?

Major BURGESS: Yes.

WITNESS: There is a very general complaint that a man is advised he is getting such and such a disability rate and it is afterwards cut down and we can submit many such cases if the Committee desire it showing that there are other reasons than those that are attributable to service.

Major BURGESS: Such cases may be because the doctor in the district has not substantiated the disability by describing the disability. If he estimates a fifty per cent disability and does not describe it the man will not get it, but the man in the district is given every opportunity to do that. I might say that we never, at the Head Office, cut down the disability without first carrying on extensive correspondence with the district officer and securing his agreement; it is never done arbitrarily.

Mr. MORPHY: It looks to me as though the doctor in the district may say such things as will indicate to the soldier that the pension is fixed at that time because he invariably uses the words that Mr. Burgess says are commonly used: "I will guarantee that you will get that" but it is cut down when it comes to Ottawa. Then you have the foundation for all kinds of dissatisfaction. I think it should be pounded into the district doctor to thoroughly explain that to the soldier.

WITNESS: We have cases such as this, where a pensioner is examined by the local medical man, and the recommendation is forwarded to Ottawa, and a few weeks afterwards the pensioner is advised that it is not approved of, and the case is again referred to the local medical officer, I think probably. Before the district pension office and before the medical board, they discuss the matter, and it is again referred to Headquarters and again disapproved of. What is brought particularly to our attention is the fact that some local medical officers have themselves complained; they probably have stated to the applicant "We have conceded what we can to you, but those fellows at Ottawa who do not know a thing about it have disapproved of my recommendation"; consequently this complaint is made.

By Mr. Nesbitt:

Q. Do not these complaints come from the men who apply to the local medical officers in place of the Board?—A. I am referring to the local medical officers at the district offices.

Hon. Mr. BÉLAND: I think a regulation should be made by this Board here that no doctor in the field should state to the applicant what his disability would be.

Mr. NESBITT: We did have that regulation originally, but changed it.

Mr. CALDWELL: I have a very definite case along this line, that of a man who was discharged and who later on developed tuberculosis and was sent to a sanatorium and was granted a total disability pension which was paid for two months so that, evidently, it was approved by the central Board at Ottawa. Later on, that total disability pension was disallowed, and they gave him a pension of five per cent disability, notwithstanding the fact that they still admit the fact that the man is totally disabled.

Major BURGESS: That is a question, purely and simply, of attributability; that the tuberculosis developed so many months after the discharge of the man that although he is totally disabled, it is not considered attributable to his service.

Mr. CALDWELL: I think there is no doubt whatever in the mind of anybody who knows this case that the cause of tuberculosis was attributable to his service. He spent two years in the front-line trenches in France and came back discharged unfit for further service and, later on, developed tuberculosis on account of his run-down condition. There is no doubt about that. And yet, notwithstanding the fact that he has a wife and three small children, he is getting the enormous pension of \$5 per month although totally disabled and unfit for work. It is a case that I wish to submit to the Special Committee.

[Mr. C. G. MacNeil.]

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Hon. Mr. BÉLAND: What is the reason given by the Board for its action?

Mr. CALDWELL: That it is not attributable to service, that only five per cent of the disability is attributable to service.

Major BURGESS: That is five per cent is attributable to service; it is not a question of tuberculosis but of whether the disability is attributable to service.

The CHAIRMAN: We will refer that case to the sub-committee. Now No. 10:

"That a repeal of section 33 (1) be secured, and the following substituted therefor:

(1) Pension shall in all cases be paid to the widow of a member of the Forces without reference to the time of appearance of the disability which resulted in his death, unless and until it be substantiated that the marriage of such member was contracted with the intention of procuring pension for such widow and not a bona fide carrying out of the engagement; provided, however, that such disability shall not have been caused by the act of such member, or vice, and that pension be only payable while such widow remains unmarried."

A. This question has already been before the Committee several time and we think it is possible to devise means to meet these cases, and to eliminate those cases frequently described as "deathbed" marriages. I think it is conceded that there are a number of cases where they should be allowed to marry and have the dependency recognized in the event of death from disability. They feel this matter very keenly, and, again, we urge that it be brought under consideration and amending legislation be effected in accordance with this suggestion.

By Mr. Cooper:

Q. What term would you advise? Would you place any restriction as to time in which the case should be dealt with?—A. Each case should be dealt with to show there is no fraudulent intention.

By Mr. Redman:

Q. How will it do to make it the 1st of January last? If you make it retroactive you will cover all these cases.—A. In discussing this proposal and in endeavouring to prepare a suggestion which would determine the time, we found it impossible to do that and to deal fairly with all cases; it should be so drawn that all deserving cases would meet with proper consideration.

Q. Most of the deserving cases are already passed on.

The CHAIRMAN: I fancy the majority of them have been. But I just want to bring before you a case of this kind which came before me just before I left for Ottawa: A man and woman were engaged before the war, and thought it better not to marry; he comes back and is pensioned one hundred per cent for tuberculosis, and while receiving that pension he marries and dies a few months afterwards. Now, the widow appears and thinks she should get a pension. She argues that because they were decent enough not to marry when he was going away to the war, she is debarred from getting a pension; and yet she married him when he had a one-hundred per cent disability, and was in receipt of a one-hundred per cent pension.

Mr. REDMAN: And knowing she would get nothing.

The CHAIRMAN: She will not admit that herself but these are the facts.

Mr. NESBITT: I move that we adjourn until 11 o'clock to-morrow morning.

Motion agreed to and the Committee adjourned.

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HOUSE OF COMMONS,

COMMITTEE ROOM No. 435,

TUESDAY, March 22, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Stratheona), Green, MacNutt, Morphy, Nesbitt, Redman, Ross, Savard, Spinney, Turgeon, and Wilson (Saskatoon).—18.

The CHAIRMAN: I have here a letter from Mr. Ahern, Secretary of the Board of Pension Commissioners which reads:

"In accordance with your request I quote hereunder the number of Canadian pensioners resident in the United States of America on February 28, 1921: Dependents, 966; disabilities, 3,423; total, 4,389."

Then there is a letter from E. E. Miller, dated Davisville Hospital, Toronto, calling the attention of the Committee to the fact that while a disabled man, whose wife is living and has a family, gets a special allowance for his wife, a widower who has young children is compelled to employ someone to look after his children and gets no allowance at all.

Mr. COOPER: Does that refer to a totally helpless man?

The CHAIRMAN: No, to a totally disabled man, not totally helpless. A widower with young children would naturally require someone to take charge of his children unless he is capable of acting as nurse and everything combined himself. Mr. Miller points out in his letter that whereas there is an allowance of \$300 a year for the wife when living, there is no allowance for a foster-mother or anyone required to take charge of the children of a widower.

Mr. NESBITT: Is that correct? It would be an oversight, if it were.

The CHAIRMAN: At all events, this should be kept in mind. It will be brought up when we come to consider our findings. Then we have two letters from the Minister of Militia in which he remits certain matters to the Committee. The first is with regard to the position of those men who have disappeared either prior or subsequent to the armistice, and who have been declared deserters. It is represented, and the conviction is somewhat strong, that many of these cases of alleged desertion were not desertions at all; that the men were killed. The minister remarks that there are several hundreds of such cases.

Col. THOMPSON: There are over 1,500.

The CHAIRMAN: The minister thinks that the Committee should inquire into that matter and see whether it can make any recommendations.

Mr. COOPER: In regard to pensions for the dependents?

The CHAIRMAN: It comes up both in the way of pensions and of gratuities, for I fancy that gratuities have been denied to the families of such men. I am not sure as to pensions.

Col. THOMPSON: I am officially informed that where there was any chance whatever of a man being killed in action or where a man disappeared in the war zone he was officially declared dead.

The CHAIRMAN: We have before us a special case, that of Quartermaster-Sergeant Ball. It has come before his association and has been looked into. I think that if we

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get through the evidence to-day we might consider these and certain other matters in executive session, and see how far we can go into them, and what procedure should be adopted. Coupled with that matter is a letter from Mr. MacNeil with regard to Ball. The second letter from the Minister of Militia is one in which certain Orders in Council are remitted to us dealing with the question of canteen funds, and other funds which are now in the hands of the Government. It is quite an elaborate and involved matter, but there is a sum of something over £200,000 at the credit of the Receiver-General arising from these funds, and other sums are due from the British authorities under arrangements made by all the Dominions overseas and the British authorities. The minister thinks that that is a matter with which we might very well deal. In that connection, I have a letter also from Mr. MacNeil, attached to which is a recommendation from the convention of the Great War Veterans' Association, dealing with that fund. That is another large matter, and I think we should have some discussion about it to see how we should proceed thereon. There is a further letter from Mr. MacNeil enclosing a resolution by his association passed at the annual convention last year, the last convention the association held, with regard to what they term a cash re-establishment bonus. You will recall that that was up before the Committee last year, and our conclusion is to be found in our final report under the heading of "General Cash Gratuities". I would submit that this is a matter which we might well consider later on in the day in executive session. Now, we will ask Mr. MacNeil to resume.

EVIDENCE

O. G. MACNEIL recalled and examined.

The CHAIRMAN: I think we stopped yesterday at clause No. 10 of the recommendations. We made some progress on that clause, and we shall now continue with it.

WITNESS: In connection with No. 10, may I say, sir, that we request that evidence be submitted by the medical officers of the Board of Pension Commissioners with the view of defining exactly their attitude toward cases where, at the time of marriage, the disability was not apparent, where the soldier had no reason to believe that he would have any further trouble with his disability, and yet as subsequent events showed where it was a contributing factor to his death. There are these very indefinite cases and I believe that under a special ruling of the Board of Pension Commissioners it is being dealt with at the present time. We would like to have incorporated in the Act, some definite provision to cover these cases.

The CHAIRMAN: Major Burgess, Mr. MacNeil suggests that you have particular knowledge of the cases he has mentioned. I do not think that you have yet been sworn. Perhaps you had better comply with the formality, as you are called upon constantly to give evidence.

Major BURGESS called, sworn and examined.

Major BURGESS: That, Mr. Chairman, is a matter for the Commissioners. The medical officers do not interpret the Act.

Mr. MORPHY: I did not quite catch the point raised by Mr. MacNeil. What is the point?

Mr. MACNEIL: I made a request that evidence be submitted by the Board of Pension Commissioners with regard to their interpretation of the Act in respect to those cases where the disability was not apparent at the time of marriage, or where there was no reason to cause the pensioner to fear the subsequent development of that disability to a fatal extent. These cases are being dealt with on their merits, I under-

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stand, by the Board of Pensions Commissioners, and in connection with our suggestion that such dependents, in the event of death, be considered pensionable, nevertheless, as certain cases are being dealt with, we would like to see incorporated in the Act a more definite provision clearly defining the status of such pensioners.

Major BURGESS: The Medical Branch does not interpret the Act. The medical staff present the cases to the Commissioners to decide whether they will be pensionable or otherwise.

Mr. REDMAN: I suppose Colonel Thompson decides that?

COLONEL THOMPSON: The Act gives no latitude in that respect. We do not consider it at all. The Act is quite clear. I refer to section 33 of the Act, subsection 1.

The CHAIRMAN: Subsection 1 of section 33 of the Act reads—

“No pension shall be paid to the widow of a member of the forces unless she was married to him before the appearance of the disability which resulted in his death, and in the case of the widow of a pensioner, unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death and for a reasonable time previously thereto.”

That does seem clear and conclusive.

COLONEL THOMPSON: And I might say that if the Commissioners were called upon to decide cases as to whether there was intent on the part of the person who became a widower or not, it would be impossible to administer the Act. The Commissioners could not decide on the intent.

Mr. MACNEIL: There are such cases, as for instance where a man has suffered from bronchitis, and subsequently developed tuberculosis, or perhaps suffered from an amputation, and a condition of the stump developed which contributed to his death to some extent. It was discussed last year, but there was some indefiniteness as to the effect of the section.

COLONEL THOMPSON: There are cases where a man is discharged and then marries, subsequently falls ill and dies, and the widow is pensioned. For instance a man is discharged fit or with some small disability, or large disability if you like, and he marries. He has had a leg amputated and he marries subsequent to discharge. Perhaps ten months after discharge he develops some intestinal trouble and dies with cancer. There is no appearance of that previously. If there was no appearance of that at the time of his discharge or marriage that man would be pensioned. That is a typical case.

The CHAIRMAN: I take it that we shall probably desire to hear the Pension Board later on these various suggestions, so that we may have further information and their opinion before us. It might be well, if it were possible, to secure from the Pension Board a certain number of standard cases along this line, cases where pension was granted the widow, and cases where pension was refused. But you can always judge better of the working of a rule if you get a concrete case and see how it applies. If the Board could supply us with these sample cases I believe it would help us in reaching a conclusion.

Major BURGESS: There is a case, as Colonel Thompson tells us, of a man who has his leg amputated, and he gets married, and later on develops sarcoma, which is a malignant growth. As Colonel Thompson says, that case would be pensionable. That is a new disability arising as a direct consequence of the war disability.

Mr. MACNEIL: The Act does not definitely provide for that. I think I am correct in my statement that the Act does not definitely provide for such cases as that.

The CHAIRMAN: Could Mr. MacNeil suggest any amendment which might make the Act more workable in his opinion?

[Major Burgess.]

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Mr. MACNEIL: My suggestion involves the whole matter. We desire to see all such cases pensioned. In the meantime there are those indefinite cases which are now being provided for apparently by regulation of the Board, for which no definite provision has been made in the Act, and we wish to know whether it is the intention to sustain that special regulation.

The CHAIRMAN: As to subsection 2 of number 10?—

Mr. MACNEIL: It is a repetition of existing section.

The CHAIRMAN: Nothing turns on that.

Mr. MACNEIL: No.

The CHAIRMAN: Then take No. 11.

Mr. MACNEIL: No. 11 reads—

“That the attention of the Government be directed to the fact that the commutation of pension, now provided, is not fairly calculated on the basis of the present aggregate value of a permanent pension, and that, because of this, many disabled soldiers in straitened circumstances are being induced to elect for commutation at considerable monetary sacrifice.”

We wish to place ourselves on record in this way, in the event of your considering the question of commutation of pensions in excess of fourteen per cent.

Mr. REDMAN: You say they are wrong in their methods of computation.

Mr. MACNEIL: It is not in any way equal, and does not approach the actual present aggregate value, and the men, because of economic pressure, are accepting this commutation. Some of them are even seeking commutation of their higher pensions in order to gain ready money to relieve present distress of circumstances.

Mr. REDMAN: I should like to hear Mr. Ahern on that, as to whether they should be paid the present worth.

The CHAIRMAN: The statement is that it is not fairly calculated on the basis of the present aggregate value of pensions.

Mr. AHERN: I do not know what the present aggregate value of pensions is. If my memory serves me, the Board has nothing to do with fixing that amount.

The CHAIRMAN: It is fixed on the basis of twenty years, as I remember it. It is set out on page eight of the amending Act of last year, which follows precisely the recommendation of this Committee and reads:—

“Members of the forces disabled to an extent between five and fourteen per cent may elect to accept a final payment in lieu of the pensions set forth in this schedule. The amount of such final payment in cases of disability between five and nine per cent shall not exceed three hundred dollars, and in cases of disability between ten and fourteen per cent shall not exceed six hundred dollars, and shall be determined in accordance with the extent of the disability and its probable duration. Members of the forces permanently disabled between ten and fourteen per cent shall receive six hundred dollars. Members of the forces permanently disabled between five and nine per cent shall receive three hundred dollars.

Mr. DOUGLAS: Then there is a discretion on the part of the Commissioners in cases other than total disability in that computation.

The CHAIRMAN: Permanent disability, yes, but the complaint is, I think, Mr. Douglas, as to the permanent pension, that it is not fairly calculated on the basis of the present aggregate value.

Mr. REDMAN: Where can we get actuarial figures on that?

Mr. MORPHY: I presume this will involve an advanced expenditure, is there a large number, or is it a small thing—those who have commuted?

[Major Burgess.]

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Mr. MACNEIL: The trouble has been that some men on permanent pension of fourteen per cent have elected commutation, which they claim has been made by an unfair method of calculation, as a result of which they have lost a lot; they really should not have done it.

Mr. MORPHY: Then it means the payment of a large number of small sums to adjust the difference; is that the idea?

Mr. MACNEIL: Possibly.

Mr. MORPHY: Is there any strong demand among the men who have commuted with regard to this?

Mr. MACNEIL: It has been repeatedly brought to our attention that \$600 does not represent the present aggregate value of a permanent pension of, say, fourteen per cent, and we have been queried frequently on what basis the calculation is made.

The CHAIRMAN: It was pointed out last year, that if a man were married, and more particularly if he had a family, it would not pay him to commute a small pension; the basis was in the case of an unmarried man, I recall it quite clearly, fixed on a twenty-year payment.

Mr. NESBITT: An average payment?

The CHAIRMAN: An average payment. There is a proposed amendment by the Pension Board to this foot-note, but it does not alter in any sense what we are now considering.

Mr. MORPHY: I suppose Mr. MacNeil, and those he represents would be satisfied if it were put on a sound actuarial basis.

Mr. MACNEIL: Yes.

The CHAIRMAN: Have we any figures as to the number of those who have taken advantage of this provision?

Col. THOMPSON: Seventeen thousand.

The CHAIRMAN: Have already commuted,—do you keep track of those who are married and those who are single, who have accepted commutation?

Mr. JOHN LAWSON: Chief Accountant, Pension Board. Those figures can be obtained.

Hon. Mr. BÉLAND: What is about the amount that has been paid in commutation?

Mr. LAWSON: There was actually paid out, \$6,869,687.

Mr. NESBITT: On account of commutation?

Mr. LAWSON: Already paid up to the end of February. There were 17,187 pensioners.

The CHAIRMAN: Do you recall what the estimate was, Col. Thompson?

Col. THOMPSON: I think we estimated that if they all came in it would be something under \$9,000,000.

Hon. Mr. BÉLAND: That is if all those who were eligible selected commutation?

Mr. NESBITT: That is purely a matter of actuarial calculation.

The CHAIRMAN: We fixed a definite figure and the only discretion given to the Board was in the case of temporary disability.

Mr. DOUGLAS: It is not temporary disability cases of which you are complaining?

Mr. MACNEIL: Not in this section.

Mr. DOUGLAS: The rate was fixed by the Committee, you are aware of that?

Mr. MACNEIL: We were, of course aware of that, but it was fixed without ascertaining the actuarial value. In the case where disability is not permanent the Board of Pension Commissioners does exercise discretion.

Mr. DOUGLAS: Have you any complaints from that class?

[Major Burgess.]

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Mr. MACNEIL: Yes, but a number of those cases hinge of course entirely upon the opinion of the medical advisors of the Board of Pension Commissioners. It is a matter of an estimate in each individual case.

Mr. MORPHY: In your opinion, if amendments were made along the line you now ask, would it put an end forever to such demands as we now have before us?

Mr. MACNEIL: If they so elect, they would have to abide by the result except in cases where the disability subsequently increases.

Mr. MORPHY: Of course they would have the right, under any circumstances, to come back in that case?

Mr. MACNEIL: Yes.

Mr. AHERN: I might say that a great number of them do come back very shortly after they have commuted their pensions, and claim greater disability.

Mr. NESBITT: Might I ask Mr. MacNeil on what they base their contention or this assertion that it is unfair, that the commutation is not fair? Upon what do they base that assertion,—is it just merely their own thought, or is it based on actuarial knowledge?

Mr. MACNEIL: This question was submitted to the Board of Pension Commissioners and the statement was then made, I think by one of the Pension Commissioners, that it was set at \$60 without any regard for the present aggregate value, as ordinarily calculated, of a permanent pension of from twelve to fourteen per cent. By actuarial calculation the value of such pension would amount to considerably more than \$600.

Mr. NESBITT: You say that information came from the Pension Board?

Mr. MACNEIL: We were so informed.

Mr. REDMAN: Would the amount depend upon a man's age?

Mr. MACNEIL: Oh, yes.

Mr. NESBITT: Mr MacNeil says that the suggestion that this basis of commutation was not fair came from the Board of Pension Commissioners. Which of you gentlemen got us into that row?

Mr. AHERN: I have no knowledge of any such statement. I would like to point out—Col. Thompson has asked me to inform this Committee—that this is purely optional, and that nobody is induced to take out this commutation at all.

Mr. NESBITT: We understand that it is purely optional.

Mr. DOUGLAS: The only inducement would be the man's financial position might force him to ask for commutation.

Mr. MACNEIL: The Commissioner who was queried on this point did not attempt to state that it was not fairly calculated, but he stated at a public meeting in response to inquiries, that the amount was fixed without reference to the ordinary actuarial calculation.

The CHAIRMAN: In other words, that it was fixed—

Mr. MACNEIL: Arbitrarily.

The CHAIRMAN: Arbitrarily fixed at \$600, and the time, I see, is ten years—I suggested just now that it was twenty years, but I quite clearly see that it was on the basis of ten years, without going to the actuarial table to ascertain the expectation of life in the individual case.

Mr. MACNEIL: And following the adoption of that legislation there was an ensuing period of acute depression and unemployment, which practically forced a large number of men to elect commutation, and they did so at a sacrifice. We are merely pointing this out in order that the fact may be on record and that in any revision or commutation of existing or higher rates of pension an actuarial basis of calculation may be followed in order that the commutation may be determined more fairly.

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Mr. MORPHY: Is it not true that in all cases when a man comes to commute he knows exactly what he is doing?

Mr. MACNEIL: Yes.

Mr. MORPHY: And each man does commute, never expecting anything further?

Mr. MACNEIL: Yes, that is correct.

Mr. MORPHY: Each and every man gets all he expected?

Mr. MACNEIL: Yes.

The CHAIRMAN: Mr. Nesbitt suggests that this question of actuarial value might be submitted to the Superintendent of Insurance. That will be done. Now No. 12.

Mr. MACNEIL: (reads)

"That a greatly increased pension rate be granted to all ex-members of the Canadian Expeditionary Force, who are suffering from disabilities by reason of which they are compelled to live in specified areas, as described. (such as the Okanagan Valley, B.C.) and we suggest that pension of not less than 50 per centum disabilities be paid to such men until such times as the improved state of their health enables them to undertake and compete in the class of work which is most easily obtainable in the district."

This proposal is advanced expressly because of the conditions which now exist in the Valley of the Okanagan. Pensioners are recommended, I understand, to reside in that area, and when they reach the spot in question, they find it is not possible to obtain employment in which they can engage without detriment to their health. There are also under this heading, a number of men who claim it is necessary for them to reside in certain parts of the United States.

Mr. GREEN: In what respect are the conditions in the Okanagan Valley considered detrimental to the health of the pensioners who have gone there? The greater part of the work there is, as I understand it, in the orchard; it is all open-air work.

Mr. MACNEIL: There is heavy manual labour for which they are physically unfit.

Major BURGESS: It is not a case of actual physical inability. These cases arise from the fact that they are prohibited from doing certain things by medical advice. A man may have a certain respiratory affection, and his doctor tells him that he should do so and so and so, and not certain other things. Now, because of that medical restriction that man is awarded a pension, or to put it in another way, because that man is restricted to certain occupations or to certain climatic conditions he gets a pension. That is the reason why he gets a pension. Were it not for these restrictions he would not get a pension. Now, if their medical advisers tell these men to go to the Okanagan Valley, the medical advisers are wrong; because there are other places in Canada just as good as that valley for this kind of case. You can take any man and tell him to go to the city of Hull, and he might do better there. He might go there and not be able to work.

Hon. Mr. BÉLAND: There would be a flooded market.

Major BURGESS: The point is that these men should be spread around the country and not put all in one place.

Mr. GREEN: Who has been telling them to go to the Okanagan Valley particularly?

Major BURGESS: I have no idea.

The CHAIRMAN: Shall we pass to clause 12?

Mr. NESBITT: We will have to deal with that matter; there is a difficulty there.

Mr. MORPHY: How many are in the Okanagan Valley? Can anybody tell us?

Mr. MACNEIL: There is a large number.

Mr. DOUGLAS: Are there many men of this type?

[Major Burgess.]

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Mr. MACNEIL: Our reports are based on statements secured from the men themselves, and these statements have been confirmed by medical advisers. There is quite a large number, I understand, whose opportunities are so restricted.

Major BURGESS: There is an idea that tuberculosis cases must go to a certain climate. Now that idea is practically exploded on the say-so of the best experts of the world. I could bring before the Committee evidence by the leading experts of the United States given before the American Senate in which they said that the matter of climate is not a matter of importance in the treatment of tuberculosis. A great many men get the idea that if they have tuberculosis they must go to Florida or California, or some other place.

The CHAIRMAN: We had evidence last year on that point. Now we come to clause 13.

Mr. MACNEIL: (Reading).

"That no deduction be made from the pension of a widowed mother on account of income derived by her from any source whatsoever."

We are asking, sir, that the pension awarded to the widowed mother be considered inviolate on the same basis as that of the widow.

The CHAIRMAN: That is the question we had up in the House before this Committee met, under resolution moved by Major Power. Are there any questions on that? If not, we will pass to clause 14.

Mr. MACNEIL: (Reads).

"That the pension paid to orphan children is quite inadequate and should be substantially increased, and should be made to the children of all pensioners, who died subsequent to discharge, irrespective of the reason for such death."

This clause is self-explanatory. We are having a great deal of trouble in regard to the provision for orphan children. This, of course, should be considered in conjunction with our suggestion in regard to the guardianship of orphan children. Provision for more adequate maintenance should be made one way or another.

Mr. DOUGLAS: If provision were made for the guardianship, would it overcome this difficulty?

Mr. MACNEIL: To a great extent, yes sir.

Mr. NESBITT: It comes under the same heading as the question of widows and subsequent marriage, and that sort of thing.

Col. THOMPSON: May I suggest a source where you can get valuable information on that subject? The Board of Pension Commissioners have turned over to the Soldiers' Aid Commission, which has been established by the Ontario Government, the administration of all orphan pensions. That Commission keeps track of those children, looks after their welfare, and makes reports to us. If the Secretary of the Committee would write to the Soldiers' Aid Commission in Toronto, he would get valuable information on this subject.

Mr. CALDWELL: That body covers Ontario only?

Col. THOMPSON: Ontario, yes.

Mr. CALDWELL: It is not for the rest of the Dominion?

Col. THOMPSON: No. As a matter of fact, about a year ago we wrote to the district officers in all the provinces asking them to take up such matters with the various Provincial Governments as to what arrangements should be made with regard to orphan children. We thought that something could be done in regard to administration in that way. The manager of the district office in the province should be given the same power as the Children's Aid Commission in the Province of Ontario, so that they could look after the children's welfare, look after their guardianship, see

that they were placed in proper homes, and so on. There is only one province which has taken steps in that direction, and that is the province of Manitoba.

Mr. CALDWELL: That was a year ago?

Col. THOMPSON: A year ago.

Mr. REDMAN: In Alberta there are Red Cross homes.

Col. THOMPSON: The best administered home for orphan children is in the city of Edmonton. There, they are piling up quite a nice little surplus for the children in that institution against the time when they will come of age.

The CHAIRMAN: Do you happen to know the name of the official of the Soldiers' Aid Commission?

Col. THOMPSON: J. Warwick, College Street, Toronto. There is a minister without portfolio in the Ontario Government who looks after the soldiers' interests.

Mr. MACNEIL: With regard to the plight of the children of those pensioners whose death occurs subsequent to discharge, we submit that owing to disability incurred on war service and to consequent restrictions in the matter of employment the pensioner has been unable to provide for the future, and that some consideration should be given to their claim.

The CHAIRMAN: There is a difficulty in the case of a man who died subsequent to discharge with regard to his orphan children.

Col. THOMPSON: The difficulty is in regard to guardianship. The Board of Pensions Commissioners, as such, has no power except to award, refuse, or suspend; and in the case of orphan children there is no such thing as suspension. It is a question of administration. If the guardian is not looking after the children properly, we will not give him the money but pay it through the district office. The Board has no control over the children. We have no power to remove a child from guardianship in cases where the child is being neglected. All we can do is to say we will not pay the pension to their guardians and in that case the guardians give them up, as a rule. Since the orphan rates have been increased there has been quite a rush of distant relatives to secure control of the children, because there is no question about it, they want the pension money. The Pension Board wrote the district officers in the various provinces to see if the Provincial Government would give us power under the Provincial Act to take charge of those children as legal guardians of them and place them in proper homes.

Mr. MORPHY: It has been said that the Edmonton Home was well conducted, and, as I understood, accumulating a surplus.

Col. THOMPSON: Yes.

Mr. MORPHY: In what way?

Col. THOMPSON: They find it is not necessary to spend the whole pension in the care of the children.

Mr. DOUGLAS: We have the Children's Aid Society, controlled by the Provincial Government, with an official in charge, an ex-soldier, Captain McLeod, and his duty is to look after all neglected children, and I would imagine that orphans, such as Colonel Thompson speaks of, could be very well taken care of by the Children's Aid Association, supplemented by some money from the pensions, and in that way these orphans would be well cared for. There is a good building for them.

Mr. WILSON (Saskatoon): Is this home in Edmonton the ordinary provincial home, conducted under the auspices of the ordinary provincial Children's Aid, or is it a home founded for the purpose of taking care of returned soldiers' children, and do they get the pensions which the children receive to take care of them? Is it separate from the other institution?

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Col. THOMPSON: Oh, entirely. I have no criticism to make of the Children's Aid Society in any of the provinces, but wherever possible we try to keep them away from those institutions, for this reason; those institutions look after truant children. We do not want the soldiers' children, when they grow up, to think they have been taken care of by that sort of institution, nor do we want them taken care of by that association if we can avoid it.

Mr. WILSON: The statement is not altogether accurate. These institutions take care of any children that are neglected.

Col. THOMPSON: As well as truant children; for that reason we established this place in Edmonton, and also one in Winnipeg, and one in Calgary.

Mr. MACNEIL: Do you find it possible to make any provision for the orphan children of those pensioners who died subsequent to discharge, whose wives are dead? You are not including such, are you?

Col. THOMPSON: I am including the orphan children of those who are pensioners.

Mr. MACNEIL: We are asking a pension for those cases where the pensioner died subsequent to discharge.

Col. THOMPSON: I do not quite understand.

Mr. NESBITT: Mr. MacNeil is speaking of a man who died subsequent to discharge and leaves orphan children, and is not a pensioner.

Mr. REDMAN: They do not get any pension. They would get one during life, but the orphans would not get one after the pensioner died.

Col. THOMPSON: In Edmonton, in addition to the orphan children we have quite a number of children of soldiers who are now alive. The man has to leave Edmonton and perhaps go to more remunerative work. He may be drawing a small pension, but that will not take care of the children, and he supplements it, and we look after them.

The CHAIRMAN: Suppose a man is a pensioner, and has children, and dies, do his children then get the orphan rate?

Col. THOMPSON: No, not unless he died of something attributable to service.

The CHAIRMAN: If he dies from the effect of service his children get the orphan rates?

Col. THOMPSON: Yes.

The CHAIRMAN: Suppose he is not a pensioner and he dies, his children get nothing?

Col. THOMPSON: Nothing.

Mr. ARTHURS: Or if he is a pensioner and dies from some other cause, they get nothing?

Col. THOMPSON: No.

Mr. ARTHURS: He may be a pensioner, but if he dies from any other cause than service, his children immediately not only lose the benefit of his support, but they lose the pension which they at the same time receive, because the children are pensioned under the present Act, as well as the parents.

The CHAIRMAN: That is, the father gets the allowance for the children while he is alive?

Mr. ARTHURS: Yes. I think that is the point Mr. MacNeil is trying to bring out.

The CHAIRMAN: We have had submitted to us special cases which will come before the Special Committee. We have one case which is illustrative of the present question. There is a case of Mr. Sprague who died from wounds. Subsequently his wife died, leaving two children who are in charge of the grandmother, and the statement is made

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that the only payment she gets is thirty dollars a month from the Soldiers' Aid Commission, Toronto. The file is not here, so that we cannot speak of the circumstances, but that does not sound right to me at all.

Mr. NESBITT: That does not sound according to regulations.

Col. THOMPSON: It is possible the Soldiers' Aid Commission is holding the surplus for the children.

The CHAIRMAN: The sub-committee will look into that.

Mr. MACNEIL: "That the allowance in respect of the dependent parent of a disability pensioner be increased to equal the allowance awarded to married pensioners." At present, sir, that is only \$180. The disability pensioner's allowance for his wife is \$300. The contention is that if he is required to maintain a parent the allowance should be made on a parity with the allowance for a wife.

The CHAIRMAN: You would have that extended to the case where the pensioner has a wife as well, because we now allow \$180 in addition to the allowance for a wife.

Mr. MACNEIL: No, sir, we refer to the single pensioner, who has no other dependent, but who is required to maintain a dependent parent. (Reads)

"When a member of the Forces previous to enlistment or during service was substantially assisting one or both of his parents an amount not exceeding \$180 per annum may be paid."

Mr. NESBITT: You want that raised to the same amount as for a wife?

Mr. MACNEIL: Yes.

The CHAIRMAN: Are there any other points, Mr. MacNeil, to which you wish to draw attention?

Mr. MACNEIL: There are several supplementary points to which I wish to draw the attention of the Committee for consideration. One point upon which we would like to have evidence given by the medical officers of the Board of Pension Commissioners is with regard to their attitude towards old-age disability. This may be considered from two angles: There is the man who enlisted over-age, suffered a general breakdown of health and yet whose disability is not now recognized. Nevertheless there are a large number of these men, and their problem is becoming very acute as they are not employable. There is also the aspect of the problem where the man who incurred disability on his service, the man of thirty-five or forty, whose disability is rapidly increasing, partially, perhaps, because of advancing age. This is a point that requires very careful consideration.

Mr. NESBITT: There are a lot of them.

The CHAIRMAN: I understand the officers of the Patriotic Fund have some evidence on this point, and I think we should make a note of it and get into communication with the secretary of the fund upon that subject.

Mr. MACNEIL: We ask that special consideration be given to such cases, either under the subject of "pensions" or of "problem cases." I am further asked to bring to your attention the rate of disability awarded to a man who suffers the loss of sight in one eye. I have here a typical statement concerning a man who has such a disability:—

"In connection with the evidence which will shortly be submitted to the Parliamentary Committee on Re-establishment, now in session, I am writing to you in connection with certain disability pensioners (of whom I am one) who have lost the sight of one eye.

"These may be divided into two groups—those who have actually had the eye damaged, or removed, with varying degrees of disfigurement, and those who have merely suffered the loss of vision.

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"Now it is generally conceded that a man who has lost the sight of two eyes is one hundred per cent disabled, and receives a pension accordingly, i.e., 100 per cent together with supplementary attendance allowance.

"If, however, as in those cases referred to, the sight of one eye is lost, it seems reasonable that such cases might be regarded as one-half or fifty per cent disabled.

"Pensions, however, are not granted of fifty per cent, nor even forty per cent.

"The disability is admitted to be forty per cent, but only thirty per cent pensionable. Why?

"In the case of men, who have lost a leg (above the knee), pensions may range from 60 per cent to 80 per cent according to information, and I have no doubt this is fair.

"Is not the loss of sight of one eye at least fifty per cent disability?

"Of those who have suffered disfigurement, with the loss of one eye, is not their disability higher than forty per cent?

"Upon discharge from the C.E.F., I was informed that the loss of sight of one eye, together with the loss of the eye itself, would constitute a forty per cent disability.

"For the loss of sight only—thirty per cent pensionable but forty per cent disability—somewhat mistifying, for if the pension regulations—or rather assessment of disabilities, admits forty per cent—why not pay it?

"And if one-half of the entire sight is lost—why not one-half or fifty per cent pension?

"That is all. I have tried to present the case fairly and reasonably. If there are those who disagree with my conclusions, let them conceive a one-eyed man with a small particle of steel or other foreign body in the good eye—practically blinded—groping hopefully along, or dodging autos. It is then (and accidents like that will happen to the best regulated eyes) that one realizes one is more than 30 or even 40 per cent disabled.

"I have never had any time asked for reconsideration of my pension, but take this opportunity of expressing an opinion, which I know is shared by many other one-eyed ex-service men."

Major BURGESS: The writer of that letter is very much in error. The man who has lost the sight of one eye gets thirty per cent, the man who has lost an eye gets forty per cent, the addition being for the accompanying disfigurement. Now then, if the man who has lost an eye has in addition to the ordinary disfigurement the further disfigurement by scars, etc., he gets more,—forty per cent, and if there is one disability for which I think the Government is generous it is that. When you consider that the basis used for measuring disabilities is the decrease in the amount of earning power in the ordinary unskilled labour market, there is very little that a man with one good eye cannot do. The one-eyed man can do practically everything that a two-eyed man can. For a long time the one-eyed man was prohibited, I understand, by his disability, from working on the railroad, but now the railroads are accepting men with one eye, so that there is very little employment that the one-eyed man cannot undertake, and the pension for the loss of sight of one eye is thirty, and for the loss of an eye, forty per cent. That disability cannot compare with the disability of the man who has lost a leg, which is a very serious degree of disability. We have many cases of men who have lost one eye and on account of considerable disfigurement are getting more than forty per cent.

Mr. ARTHURS: Supposing the case of a man who has suffered the loss of one eye and who by reason of accident loses the other and becomes blind, is that considered

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an aggravation of the original disability, and would you give him an increased pension.

Major BURGESS: No, we would not.

Mr. DOUGLAS: Would it not be possible for the other eye to be affected?

Major BURGESS: No, sir. There are cases, of course, where the man's first eye is injured, and develops sympathetic ophthalmia, and he loses the other eye, in that case he gets 100 per cent, but that does not happen spontaneously. The specialists tell us that the man who has lost one eye and recovers is in no danger whatever of losing the other eye.

Mr. MACNUTT: Does it not weaken the other eye?

Major BURGESS: No.

Mr. NESBITT: The doctors take out one eye to save the other, often.

Mr. MORPHY: I would like to ask Major Burgess this question: Take the case of a man who loses in service the sight of one eye; later on he loses in an accident, the sight of the other eye, why should he not be compensated? If he had not lost the first eye in service he would not by the accident of having lost the other eye be disabled to the same extent.

Major BURGESS: But he has not lost it through service.

Mr. MORPHY: He is actually blinded through service, because he lost his one eye in the service.

Major BURGESS: It would be just as logical to say that if a man lost one leg in the service and afterwards through an accident lost the other leg by being run over by a street car, he should be compensated for that.

Mr. MORPHY: I would not hesitate to say that the man should be compensated to the fullest degree by the country. It is an important point, and the committee should reserve it for consideration.

The CHAIRMAN: I think we grasp the point. Now, what is the next point.

Mr. MACNEIL: The next point is in support of the communications which have been read before the committee describing the circumstances of the totally disabled pensioner who is a widower and finds it necessary to care for his small children. It is stated that the Imperial Government gives a double allowance for motherless children, and we ask that some consideration be made for the man who finds it necessary to maintain a home for those children and who finds it impossible under the pension paid to employ a competent housekeeper.

Mr. DOUGLAS: That would be supplementary?

Mr. MACNEIL: Yes, sir.

Mr. NESBITT: Under the present Act in the case of a man who is a widower and gets full pension, his children would have a pension, would they not?

Mr. MACNEIL: He does not receive the full \$300.

Mr. NESBITT: That is for the maintenance of his wife, but his children get a pension, do they not?

Mr. MACNEIL: Yes, only the ordinary children's allowance, but owing to the loss of his wife he is compelled to employ a housekeeper.

Mr. ROSS: If he is totally disabled and helpless, he gets something?

Mr. MACNEIL: That is a helplessness allowance for the services of the attendant.

The CHAIRMAN: If he has to employ a housekeeper, he is actually \$300 worse off. If his wife were alive he would get \$300, which would go towards her upkeep and towards the upkeep of the house; but if his wife is not alive and he has to employ a housekeeper he does not get the \$300.

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Mr. NESBITT: That is on the assumption that it does not cost anything to keep a wife.

The CHAIRMAN: If he has a housekeeper, he has not only to feed her but to pay her something, so that he is actually out of pocket.

Mr. NESBITT: We will consider that.

Mr. MACNEIL: The next point is with reference to the discussion which took place yesterday in regard to those cases where it was alleged that there was slight gas poisoning on service. We are appealing the case of Lance-Corporal G. C. McDonald, which is to some extent illustrative of this class of case. An adverse decision was given in this case, and we submit the facts as follows.

We state:—

“As regards the cause of his death, it is still maintained that it was due to service, or in other words to the effects of gas on service. The opinion of your Medical Adviser is entirely based on the fact that no medical evidence of his having been gassed exists, but that is no proof that he was not gassed or that he did not die from its effects.”

We go on to point out that there was a large number of such cases of men who were slightly gassed in France, but who did not suffer sufficiently at the time to warrant their removal to hospital. We state:—

“They have returned to Canada and been discharged ‘A1’ and it is only sometime after discharge that the effects of this gas begins to appear. I know personally of a large number of such cases and one in particular, regarding which I have full knowledge of pre-war health, service with the C.E.F., gassing and consequent infection of the lungs after discharge. This man was absolutely physically fit at the time of his enlistment with no evidence of any sort of lung trouble or other illness. He served for two years in France and during the latter part of his service was slightly gassed. Some six months after discharge an infection of the lung began to develop and the civilian doctors whom he consulted advised him that he must give up his position and take up residence in another climate or he would have serious tubercular trouble within a short time. This man was obliged to give up his plans and ambitions in order to provide for his physical well-being. He could not obtain either pension or medical treatment with pay and allowances and consequently had to bear the expense of treatment himself, although there was no shadow of doubt but that his trouble was directly due to a disability acquired on service. There are a very large number of such cases and these men have been consistently refused pension because there is no evidence on your files of a disability acquired on service. The mere fact that they were dismissed from the service as ‘A1’ is considered sufficient proof that they had not ‘suffered physically in any respect, and this in spite of the fact, as I understand it, that an infection of the lungs caused by gassing can be distinguished on examination from other forms of tubercular trouble.’

Mr. GREEN: You make the statement that the medical authorities dispute the assertion that this man was gassed at all. You say that he was gassed. What proof have you in that particular case that the man was gassed?

Mr. MACNEIL: In this particular case we have knowledge of the man's circumstances, and his statement is corroborated by men who served with him that he was slightly gassed on service.

Mr. MACNEIL: They say that as there was no record on his medical history sheet of his being gassed, his present disability is not attributable to service. There is a difference of medical opinion in regard to this matter. We have had medical

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men within our organization strongly urge that consideration be given to these cases, and I am bringing this case forward in order that evidence may be produced by those more competent than I to discuss medical matters.

Major BURGESS: If that letter states that the pension was refused because of the fact that there was no gassing, the statement is not correct. Ever since the first gas attack took place, scientists have been investigating such cases. Last year specialists went around the country taking evidence, and they submitted a report. The reports of these scientists are to the effect that where a man was gassed, and no immediate pathological lesion was produced, there is no reason to expect a pathological lesion at a later date. That is the opinion which all investigating bodies have arrived at. Lots of men were gassed and there was no record of it at all because they were not gassed sufficiently to cause them to leave the lines. These men carried on for months on the line, and subsequent to that they had no trouble. A year or two afterwards, some one comes along and says "this man was gassed, and this lung trouble is the result." Now, in the first place, they have no evidence that he was gassed; and in the second place, all the evidence is to the effect that even if he was gassed it was not the cause of his present condition. The statement of the leading investigators will bear me out in that. Their report is now available, that is the report of the specialists who toured Canada. They make a special feature of that. So, it is not the fact that we say that a man did not get a pension because he was not gassed. That is not the fact. Even it were shown conclusively that he had been subject to a slight gas attack, it does not necessarily follow that his present condition is attributable to that.

Col. THOMPSON: It is rather a nice question as to what is meant by gassing. I will wager any odds you like that every member of the forces who was within five miles of the front had some gas. It was not possible to escape it.

Major BURGESS: I was present when the first gas attack was made, and I have seen cases of men who come along and say that they were gassed then and that they are now suffering from it. From a scientific point of view, that cannot be so. The lesion which the gas produces—

Mr. Ross: Appears right away.

Major BURGESS: Yes, if a man takes it in sufficient quantities, you get it right there and then. There is no reason to suppose that the others are affected at all.

Mr. MACNEIL: I wish to bring to the attention of the Committee the fact that apparently the amendment introduced last session as section 47A does not in application carry out the intention of the Committee. Section 47A reads:—

"The pensions which are now being paid by Great Britain for disabilities or deaths which occurred during the South African war to or in respect of members of the Canadian contingents which served in that war, shall hereafter be supplemented during the continuance of the residence in Canada of the recipients of such pensions by such additional pensions as will make the total of the two pensions received by them equal to the pension that would have been awarded if they had been disabled or had died in the military service of Canada during the war."

I wish to again bring to your attention the case of Mrs. Rea which was submitted for your consideration last year. Sergt. Rea was a Canadian soldier in the Canadian Contingent of the South African Constabulary and proceeded to South Africa under the command of the late General Sir Sam Steele. He was killed in action December 19, 1901. Prior to his service in the South African war he was a member of the Royal North West Mounted Police for seven years. Mrs. Rea receives a pension which, under the present rate of exchange, amounts to approximately \$7 per month. Following the proceedings of the Committee last session, Mrs. Rea received a com-

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munication under your authority, quoting the following section of the Committee's report:

"(g) To increase, during their residence in Canada, the pensions now being paid to or in respect of veterans of the Fenian Raid, the Northwest Rebellion, the South African war, and to other Canadian pensioners in accordance with the rates set out in the Schedules to the Bill appended."

Mrs. Rea was thus given the impression that under the recommendations of the Committee, supplementary pension would be issued. This communication was confirmed by Col. J. W. Margeson of the Board of Pension Commissioners. Subsequently, however, Mrs. Rea was advised of the ruling of the Board to the effect that, "The provisions of the Pension Act do not allow of supplementary pension being paid in this case as the deceased was not at any time a member of a Canadian contingent. Until further authority is given to this Board it is regretted that no action can be taken." In view of the circumstances related above, may I, therefore, urge that steps be taken to issue the necessary authority for payment of pension to Mrs. Rea and others in the same category. I submit that Sergt. Rea was a Canadian, previously domiciled in Canada, who enlisted in the Canadian contingent—

Col. THOMPSON: He was never in the Canadian forces.

The CHAIRMAN: That seems to be the point. He was in the Imperial forces, not in the Canadian.

Mr. MACNEIL: He proceeded overseas with the Canadian contingent.

Col. THOMPSON: He was recruited here for the South African Constabulary.

Mr. NESBITT: That is a different proposition altogether.

The CHAIRMAN: There we have the crux. A Canadian, domiciled in Canada, instead of enlisting in the Canadian force, enlisted in the South African Constabulary, which, I take it, is an Imperial body.

Mr. MACNEIL: I submit that all the Canadians who served in the South African war, attached to the Imperial forces and who receive their pay and allowance, from the Imperial army funds, should—

Col. THOMPSON: This man is receiving a pension from the South African Government at the present time. It is very small.

Mr. MACNEIL: The natural theory to advance would be that if she does not qualify under this section exactly, it should be so amended.

Mr. GREEN: The Canadian force was an entirely different contingent.

Mr. NESBITT: He was in the South African Constabulary.

Mr. GREEN: If they went over and joined afterwards, or something of that kind, they would not come under it.

Mr. NESBITT: They recruited for that force purposely.

Col. THOMPSON: There was a Recruiting Mission out here at that time recruiting Canadians for the South African Constabulary, and they joined the South African Constabulary.

Mr. NESBITT: A sort of permanent force.

Mr. MACNEIL: It was certainly the intention of the Committee to supplement the pensions of the Canadians who served in that war.

Mr. NESBITT: That is a different thing from the South African Constabulary. They were not serving in the war. They were trying to keep peace afterwards.

Mr. MACNEIL: This man was killed in action.

The CHAIRMAN: The section refers to the Canadian contingent which served in that war. There can be no question about it if the late Sergeant Rea served in a contingent.

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Mr. WILSON: Where was Rea killed?

Mr. MACNEIL: In the South African war.

Col. THOMPSON: If there should be any doubt as to the interpretation of the Pension Commissioners being correct in that case, I may say that we obtained the opinion of the Justice Department, which was that she did not come under that statute.

Mr. GREEN: This is exactly as we intended it last year—taking care of the Canadians who served in the Canadian Contingent in South Africa.

Mr. MACNEIL: If that was the intention of the Committee, we certainly urge that these Canadians who served in the South African war whose dependents are now receiving pensions in Canada should receive a supplementary pension.

Mr. NESBITT: That is covered now. *

Mr. MACNEIL: This man, Sergeant Rea, was a Canadian, his wife was born in Canada, still residing here, and still receiving seven dollars a month, and was given to understand last year, by communication from this Committee, that she should receive a pension, and we certainly urge that the Act be so amended as to provide for such cases.

The CHAIRMAN: I thought the communication was from the Pension Board.

Mr. MACNEIL: There were two.

Mr. REDMAN: Did the death occur after the war?

Mr. MACNEIL: While the war was on, December 19, 1901.

Mr. DOUGLAS: What has the present rate of exchange to do with it?

Mr. MACNEIL: That is her statement.

The CHAIRMAN: She is paid by South Africa in Sterling, and when it comes here it is worth very much less.

Mr. MACNEIL: I wish my verbal statement to be considered as a recommendation to add to this, because it was not made clear to us before as to the intention of the Committee.

The next point concerns the case of a deserter mentioned by the Honourable Minister of Militia and Defence. We ask that the dependents of those designated as deserters be considered for pension, and I wish to refer to the case of Quartermaster-Sergeant W. J. Ball. The facts are as follows:

"Sgt. Ball was an N.C.O. with an excellent record in the Canadian Forestry Corps, with a wife and one child at Port Hope, Ontario. While serving with his unit in France, on April 7, 1919, he disappeared. Five months later, upon transference of his unit to England, a Court of Enquiry declared him a deserter, as quoted below:—

"The Court proceeded to examine all documents of 1042002, Private W. J. Ball. This man was on the strength of Headquarters, No. 12 District, Canadian Forestry Corps, and on transfer of these headquarters to England this man was transferred to the Canadian Forestry Corps Pool, Part II Orders, No. 12, d/23-4-19, apparently he was absent without leave at that time. On the 12th August, 1919, he was transferred from the Canadian Forestry Corps Pool to the Canadian Records List, Part II Orders No. 42, d 15-8-19. There is no record of this man having been granted leave since the 2nd of February, 1919, either in Part II Orders, No. 12 District, Canadian Forestry Corps or Canadian Forestry Corps Pool. Last cash payment made to this man was on the 7th April, 1919, No. 12 District Headquarters, Canadian Forestry Corps. Nothing has been seen or heard of him since this date, and no trace can be made of this man being on the strength of any unit in England."

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After this evidence was submitted to the Court, the said Court made the following finding:—

‘Declared a deserter from the 12th of April, 1919.’

There is much more reason to suppose that Sgt. Ball met with foul play, than that he wilfully deserted from the army. There was no evidence before the Court of Enquiry but the fact of his absence. His desertion occurred after the armistice, and his correspondence with his wife and friends in Canada indicated every desire to return. He enjoyed a reputation which is not consistent with the suspicion that he deserted in order to shirk domestic responsibilities.

As a result of the fact that, on military records, he is indicated as a deserter, his wife and child have been unable to obtain military pay, gratuity, pension, etc., unless they can prove that he is dead. Furthermore, she is not eligible, under the Order in Council amending the War Service Gratuity legislation, because of lack of proof that her husband was domiciled in Canada following demobilization.

Because of these facts, it is contended that she has been penalized because of circumstances over which she has no control, and of which there is no reason to suppose that her husband was the cause”.

Mr. NESBITT: Where did he disappear?

Mr. MACNEIL: In France.

Mr. REDMAN: After the armistice?

The CHAIRMAN: Oh, yes.

Mr. MACNEIL: To illustrate how such findings are arrived at, there is a well-known case of a man who, while under the influence of a drug, jumped overboard from the transport ship. Because his body was not recovered, according to the regulations of the military authorities, he was declared a deserter. There must be proof of death, and the defining of a man as a military deserter does not necessarily mean wilful desertion, and there are many instances where, because they are unable to prove death, the court finds it necessary under the regulations to bring in a finding of desertion. There are a number of such cases, and it is impossible while such finding stands on the record to secure pension.

Major BURGESS: If the man who jumped overboard was drugged at the time, it would be very difficult to prove attributability.

Mr. Mr. MACNEIL: I am using that to illustrate my point.

The next point is in regard to dependents otherwise than next-of-kin. This was under discussion yesterday with regard to clause (c) of No. 1. There is the case of Private Neil McIntosh, 222nd Battalion, No. 291328. The facts are—

“For some years prior to the outbreak of the war, Private McIntosh, who is unmarried, was the sole support of his widowed sister, Mrs McFarlane, and her three children. Upon his enlistment this sister received the usual assignment of half pay together with the separation and other dependent’s allowances. She also received a dependent’s portion of his War Service Gratuity. Private McIntosh was discharged, with total disability pension, amounting to \$60 per month, in view of the amputation of both legs. Application was made to the Board of Pension Commissioners for allowances in support of the dependents above mentioned, but the reply was given that under existing legislation, no provision was made for the award of additional allowance to dependents of a pensioner such as his widowed sister and her children appeared to be, and that the application could not be given favourable consideration.”

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We are bringing that case up as an illustration of that point.

The CHAIRMAN: Under what section is that?

Mr. MACNEIL: Section (c) of paragraph one of the memorial. We also ask that consideration be given to the advisability of awarding double total disability in cases where there is a loss of both limbs, men who have lost both arms or both legs. In other countries provision is made for payment of these pensions. There are very few such cases on the list.

Mr. MORPHY: You ask that in addition to the personal attendance?

Mr. MACNEIL: Yes.

Mr. REDMAN: Two hundred per cent?

Mr. MACNEIL: Yes, for double total disability.

The Committee adjourned, to go into executive session.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

WEDNESDAY, March 23, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Redman, Ross, Savard, White (Victoria), and Wilson (Saskatoon).—18.

The CHAIRMAN: We hope to hear this morning from the Pension Board with regard to their own suggestions of amendments to the Pension Act, and also touching the suggestions which we have already considered emanating from the Great War Veterans' Association.

Col. J. THOMPSON. recalled and examined:

By the Chairman:

Q. Col. Thompson has an explanation with regard to the Sprague case which came before the Committee yesterday. I am suggesting that it be passed on to the Special Committee. Perhaps the Committee would like to hear what Colonel Thompson has to say on that particular case. What have you to say in regard to it?—A. It was stated yesterday that this man died of wounds, that the wife died and that the guardian was only receiving \$30 a month in respect of those two children. The facts are that the man did die of wounds, leaving two orphan children. We are paying \$54 a month through the Soldiers' Aid Commission. The facts are that at the guardian's request the elder brother, who was incorrigible, was placed in the custody of the industrial school, and subsequently the second child was placed there. The Soldiers' Aid Commission is decreasing the whole pension, and paying the industrial school whatever is necessary for the maintenance, clothing and education of the children. If they are paying anything to the guardian, that is over and above what they are obliged to pay, they are not obliged to pay the guardian anything at all.

[Mr. C. G. MacNeill.]

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The total pension of \$54 is due the children. As a matter of fact, out of that \$54, when our office administered the pension they saved two or three hundred dollars against the time of the maturity of the pension. If anything is being paid by the Soldiers' Aid Commission to the guardian to the extent of \$30, as Mr. MacNeil suggested, then it means that the two orphans are being kept in the industrial school at a cost of \$24, but the total amount paid to them is not \$30, but \$54.

Mr. GREEN: In that particular case, could there not be some way of checking it up? There is no reason why any of that money should go to the guardian. The guardian has no care at all.

WITNESS: We refused a pension in that case.

Mr. GREEN: It seems to me it is an outrage that any money is going to the guardian.

WITNESS: I have no information as to whether anything is being paid to them.

Mr. GREEN: If you are paying anything at all, would it not be right to follow that up and find out where it is going to?

Mr. AHERN: We are getting a report from the Soldiers' Aid Commission.

WITNESS: That Commission is an official body created by the Ontario Government, and one would assume they would administer the pension honestly.

The CHAIRMAN: This case comes from London, and I think I can answer for the man in charge of the Soldiers' Aid Commission there. I would be utterly astonished if he is making any payment which is not honest.

Mr. GREEN: It is worth considering.

The CHAIRMAN: He is an alert and energetic officer. As to the other case referred to, Miss Isabella Good, of Edmonton, the secretary of the Patriotic Fund writes that the newspaper reports were misleading, inasmuch as the family now does receive a pension of \$66 a month which is supplemented by the Patriotic Fund paying \$31 a month, so that the family received the same income as a widow and three children. I have forgotten just what statements were made with regard to Miss Good. It is a case which Colonel Thompson knows personally.

WITNESS: Yes, I saw the family and I can rehearse the facts if you like.

The CHAIRMAN: I want to have it on record, so that we will have the actual facts before us in case the matter is again referred to.

Mr. COOPER: I think Mr. Douglas asked a question in regard to that.

Mr. DOUGLAS: Yes. The Patriotic allowance is merely temporary. The pension was supplemented by the Patriotic Fund just for the meantime, and the daughter claims, and her friends claim, that that measure of relief is only temporary and may cease at any time. I understand the file in that case was referred to the Special Committee.

The CHAIRMAN: Colonel Thompson proposes to go over the various recommendations made by the Great War Veterans' Association and considered by us seriatim.

WITNESS: Yes. Paragraph (a) reads—

“That the pension awarded a widow, without children, or a widowed dependent mother, with no dependents, be increased to \$75 per month without regard to income from any other source.”

The increase with respect to that section would be as follows: Widows without children increase \$325,980 per annum, widowed dependent mother with no other dependents \$2,982,000 per year.

By Mr. Nesbitt:

Q. That is if we consented to what they ask in clause (a)?—A. I am making no comments on this; I am just showing what follows. The total in respect of that section would be \$3,307,980 per annum.

By the Chairman:

Q. That is (a). Now take (b)?—A. (b) reads:—

“That the pension awarded a widow with a child be increased to \$100 per month, plus the recognized allowances for children.”

Taking into consideration the number of widows with children the increases would amount to \$3,952,320 per annum.

“(c) That pension be awarded to all other dependent next of kin equal in scale to that proposed for a widowed mother without dependents.”

It is not quite clear what that means, Mr. Chairman. It apparently has a bearing on these other two subsections, and it means that all other dependents who can show dependency apart from widows, widowed mothers, orphans, brothers and sisters; I understand it does not cover those, but it covers all other dependents who are next of kin or may be next of kin. The only next of kin outside of those mentioned would be fathers and grandparents. I am taking it in the limited sense.

By Mr. Nesbitt:

Q. “That pension be awarded to all other dependent next of kin equal in scale to that proposed for a widowed mother without dependents.”

Did he not say that would include aunts?—A. Well, under the present regulations we can pension an aunt if she is the foster-mother—

Q. If she is taking care of the children?—A. Yes. That would come under the head of parent, as foster-mother. I am taking it in that limited sense, and in that limited sense the increased cost per annum would be \$797,685.

THE CHAIRMAN: Mr. MacNeil is here, and can give us his interpretation of this section. Mr. MacNeil, there was a question as to just what dependents would be covered by that recommendation. Col. Thompson might state for your benefit just what parties he does cover in his calculation.

WITNESS: I have excluded from that calculation widows, widowed mothers, orphans, brothers, sisters, as they are covered elsewhere. It would apply therefore, to the father, grandparent or aunt who was in the position of foster-mother, or uncle who was in the position of foster-father.

MR. MACNEIL: First this clause should include all those who were dependents of the soldier, dependent next of kin, it would exclude the father, grandfather,—

WITNESS: You exclude the father, grandfather, or anybody in loco parentis?

MR. MACNEIL: Being aware of the fact they are provided for.

MR. NESBITT: Whom would this take in?

MR. MACNEIL: If the next of kin were dependent upon the soldier, the contention is the pension should be paid.

WITNESS: Supposing, for instance, there were fourteen nephews and nieces, and they happened to be next of kin, all dependent? It might run to 40 or 50.

MR. MACNEIL: The one who was receiving separation allowance during the soldier's service. This recommendation covers a very limited class, the dependency would be proven by awarding separation allowance during the soldier's service; to such persons not otherwise dealt with under the Act, we ask that pension be paid. There is also the case I cited yesterday of disability,—that of McIntosh, who for many years was

[Col. John Thompson.]

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supporting his married sister and she is not now recognized as being pensionable for even total disability.

The CHAIRMAN: Then I take it this calculation is hardly on that basis?

The WITNESS: The calculation I made on the basis of fathers and grandparents being raised to the scale of widows.

The CHAIRMAN: It is clear that is not the point Mr. MacNeil raises.

WITNESS: It partly would apply, because they are next of kin under certain circumstances, and they would be raised to the scale mentioned, and in that limited sense, the increased cost per annum would be \$797,685. It would be impossible, without reviewing the files, to say definitely what the increase would be if this amendment is taken in the larger sense suggested by Mr. MacNeil, but to make a shot at it, I would say it would be from \$4,000,000 to \$5,000,000 per annum. The narrow interpretation of that suggested amendment would come to that amount I mentioned, \$797,000, but as interpreted by Mr. MacNeil, making a shot at it, it would be from \$4,000,000 to \$5,000,000.

Mr. MACNEIL: Understand, I am only referring to dependents that the soldier maintained and who were entitled to be maintained by the soldier; there would be only odd cases.

WITNESS: Those cases would be in addition to this \$797,000.

By Mr. Nesbitt:

Q. As a matter of fact, if a soldier assigned pay, as a rule, are not these dependents covered now?—A. Not in all cases. I will give you an illustration: there are many others, a man would assign pay to the person to whom he was engaged to be married.

By the Chairman:

Q. Of course, she would be next of kin.—A. No, but the grandfather is next of kin, if there is no other, and of course that class in itself brings it up to the figure I have mentioned, but there would be superimposed upon that the classes mentioned by Mr. MacNeil.

Q. I would suggest that the second estimate is really too vague for our guidance, because Mr. MacNeil thinks there would be exceedingly few in number. Then (d)?—A.

“That the scale of pensions for disabled persons be fixed at the monthly rate of \$1 per one per cent of disability.” The total annual increase in respect to that proposal is \$5,456,286.

Q. Then we go on to section 2.—A. “(2) That the foregoing proposed regulations apply equally to the guardians of orphans of deceased members of the C.E.F., irrespective of the relationship of said guardian to said orphans.” That divides itself into two classes and it would depend upon how the Act is finally drafted as to what the amount would be. Supposing there are five orphan children in the family and each of these five children are living with different guardians, there would be five guardians; are they all to receive the full pension as a guardian? If not, which one would be paid as a guardian? If there are several children in the family and a pension be paid to only one guardian, the total annual increase would be \$522,900. If the children were distributed among various families and the pensions paid to each family,—to each of the persons who had one of these children and was acting as guardian,—the total increase would be \$1,800,000 per annum, that is, in round numbers. If there is only one guardian in respect of each soldier's family, even if he had had only one child, the total annual increase would be \$522,900.

[Col. John Thompson.]

By Mr. Green:

Q. What do you put in in that second calculation?—A. If the children are distributed among various guardians.

Q. You mean as they are apparently distributed now?—A. I do not know Mr. Green, but if there were six children all with one guardian at present—

Q. What I am trying to get at is that you are not basing your second calculation on any existing fact that a number of these children are placed in different homes? For instance, I know, and you know, that there are some whose children are distributed to-day. Are you basing your second calculation on the actual distribution, or is it what it would be if they were all distributed?—A. Not in all. If they were all distributed, it would be a larger amount than that of the second calculation. It is based on a partial distribution, and not on actual distribution as at present.

By Mr. MacNeil:

Q. Would it not be fair to make the calculation in respect of a guardian for a family?—A. That would come to nearly \$2,500,000; that is, a guardian for each child. The amount per annum would be \$522,900.

By Mr. Nesbitt:

Q. May I ask Col. Thompson whether, if we proposed to pay each guardian, there would not be an inclination to divide up the guardianship of these large families?—A. There is no doubt of that in my mind whatever, because, as I have stated, in a number of instances there has been a contest as to which relative should have the orphan children, and that contest only started after the orphan rates were increased. Up to that time we had difficulty in placing children, and relatives who refused to accept children before the rates were increased created considerable trouble in an effort to get the children back and away from the guardian with whom they had been placed. That contest took place only after the increase. The relatives who had refused to have them before the increase afterwards clamoured to get them.

By Mr. MacNeil:

Q. Would that not be more particularly with regard to four or five children? Thirty dollars a month would not be an attraction?—A. It does not attract a person in the case of a child of five or six years of age which requires some care and attention and that sort of thing; but it does attract in the case of a boy who is nearing maturity. We have had specific cases of that, and there are many of them. I can cite one case. A boy who was fifteen years of age was on a farm near Orillia. His guardian was drawing full orphan rates. We had no visitor to send into the district, but we asked for a report from the local authorities and they said that the boy was well cared for. This family was drawing \$34 in respect of the boy. We eventually sent a visitor into the district and he found that the boy had been hired out to a neighbouring farmer, the farmer in question receiving \$60 a month for the boy's service. The guardian was not harbouring him or clothing or feeding him.

By Mr. Green:

Q. Did you put him in jail?—A. I tried to, but without result.

By Mr. MacNeil:

Q. Is there not some difficulty in placing small children at \$30 a month in suitable homes? Is it not usual for charitable organizations to have to supplement that amount?—A. If we had a larger control over the children we would have no difficulty, but we have no control. It is sometimes difficult to know what to do to place the children, not on account of not being able to find people to take care of them, but of not being able to find people who will give them the proper education.

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By Mr. Nesbitt:

Q. And take proper care?—A. Yes, proper care, and not simply people who would take them as a means of increasing their own livelihood.

By Mr. MacNeil:

Q. Would \$30 a month be considered an adequate rate of maintenance by the average Children's Aid Society?—A. I think so. In the case which you brought up yesterday, the case of Sprague, it was stated that the guardian was receiving \$30 a month for the two children. That was the information you had. As a matter of fact, we are paying \$54 a month to the Soldier's Aid Commission in Toronto and at the time when we handed over those children our district officers had saved up over \$200 to the credit of those children, against the time when there might be a likelihood of the child incurring expense beyond the monthly income, or in the case of illness or of an operation.

By the Chairman:

Q. We now come to clause 3, the case of desertion.—A. (Reads)

"That the herein previously proposed pension be paid to the widow and children of a former member of the forces, who, previous to the war, had deserted his wife and family."

I can give no actual estimate as to what the annual increase under that section would be because all the files would have to be searched to see how many cases have been refused, but it would be something over \$500,000 a year.

By the Chairman:

Q. Now come to clause 4.—A. (Reads)

"That no deduction in pension be made because of the fact that the pensioner or dependent may not reside in Canada."

The increased annual cost in respect of that proposed amendment would be \$653,256.

Q. That, I take it, covers those who live in the United States and in England?—A. Yes.

Q. You have not figures to show what the increase would be if we increased it in the case of the Americans and did not increase it in the case of pensioners in Britain and elsewhere?—A. I could procure them for you.

The CHAIRMAN: I think we should have them because that point has been raised.

By Mr. MacNeil:

Q. What has been the experience of the Board in regard to the pensions paid to men in the United States?—A. We get a number of letters from them. They object on two grounds. The first is that they should be pensioned the same as the Canadians, and secondly that we ought to pay the difference in exchange.

The CHAIRMAN: It has been suggested, I do not know officially—I do not suppose that it could be suggested officially—that if we saw fit to increase the rate to the American pensioner so as to equal that paid to the pensioner living in Canada, the question of exchange might be waived. It might be wise.

Mr. BRIEN: What would that amount to if the bonus were granted to a pensioner living in the United States?

The CHAIRMAN: The figures Col. Thompson has quoted relate to pensioners residing outside of Canada in any other portion of the world, and I have asked the Board to separate those figures so that we will know the exact difference. He has not obtained those figures yet.

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Mr. EDWARDS: Does Colonel Thompson state how much this would cost?

WITNESS: \$653,256 per annum. Then number (5) reads—

“That in the case of a pensioner suffering from a disability incurred in a theatre of war, no deduction be made because of disability shown to have existed prior to enlistment, and that section (25) paragraph 3 of the existing Pensions Act be accordingly amended.”

Mr. NESBITT: Is that not the case now?

Mr. REDMAN: I think that is the law.

WITNESS: It is obvious.

The CHAIRMAN: We had a discussion on that and I think Mr. MacNeil said that there were certain cases which were not covered under the law.

Major BURGESS: I have a case here which Mr. MacNeil cited—Private Arthur Aitken. This is a brief history of his case:—

“Enlisted 21st February, 1916, at Russell, Ontario, age 20, enlistment sheet states cataract on left eye due to injury. He served in a special service at Barriefield Camp and deserted about 1st November, 1916. (He states that because they would not pass him for overseas service on account of his eye). He re-enlisted on 1st February, 1917, at Trenton, with railway battalion, and medical history sheet states under “defects” “Nil” (except the left eye). He saw service in France and was discharged 28th March, 1919, and he states that the condition of his left eye was due to his being struck with a piece of wood on first enlistment. This story was proved incorrect, and he was refused pension. He made another effort to obtain pension on the same story in January, 1921, which was again refused.

Examination of the left eye shows a coloboma or fissure of the iris with cataract. This indicated the eye was greatly disorganized by injury or by operation at the time of injury, and he never could have had any useful vision. The condition was stationary six weeks after and was obvious to anyone.”

The whole point about the case is that the whole history of the case was recorded on his attestation paper at the first enlistment.

Mr. REDMAN: It was obvious?

Major BURGESS: Yes. He was blind in one eye on enlistment, and that fact is recorded in his enlistment papers.

Mr. MORPHY: And now he is blind in two eyes.

Major BURGESS: Oh, no.

Mr. NESBITT: As I understand it, last year, or the year before, we passed a regulation saying that the pension was not to be deducted from those that actually served in the theatre of war because of previous disability.

Mr. REDMAN: Unless it was obvious.

Major BURGESS: The words of the section were—

“Provided no pension shall be paid for a disability or disabling condition which at such time was wilfully concealed, was obvious, or was not of a nature to cause rejection from service.”

That was amended by the Pension Act of 1920 by adding at the end of the section the words—“or was a congenital defect,” and it is considered that a man blind in one eye on enlistment has an obvious disability.

Mr. COPP: He is in exactly the same condition as on enlistment.

Major BURGESS: Yes, as recorded in the documentation.

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Mr. MACNEIL: The soldier is prepared to testify he had a little trouble with his eye, and was not aware what it was; that it developed on service; that the blindness overtook him on service and that he did not know the condition of his eye on enlistment. This illustrates that in interpreting the meaning of the word "obvious" there is a possibility of injustice in certain cases escaping.

The CHAIRMAN: Have you had other cases of a similar nature drawn to our attention?

Mr. MACNEIL: Yes, there are a number.

The CHAIRMAN: The main part of the section appears to be clear beyond any possible dispute. Sub-section (3) of section 25 reads—

"No deduction shall be made from the pension of any member of the forces who has served in a theatre of actual war on account of any disability or disabling condition which existed in him previous to the time at which he became a member of the forces."

Then follows the proviso about which there appears to be some trouble—

"Provided that no pension shall be paid for a disability or disabling condition which at such time was wilfully concealed, was obvious or was not of a nature to cause rejection from service."

Last year we added the words "or was a congenital defect."

Mr. MORPHY: In this case, whether it was obvious or not, it did not cause his rejection from service. They took him.

Mr. GREEN: Supposing there were two fingers off, you would not pension him because his two fingers were off, would you? You cannot pension him for something that was done before the war.

Mr. NESBITT: I think there were a good many cases of aggravation on account of the war, and that is why we put that clause in.

Major BURGESS: This is a pretty clear case, in spite of the man's statement. There is a difference between a traumatic cataract and a senile cataract. A traumatic cataract runs its course in a very short time, usually in three weeks, but sometimes runs to six weeks. The very nature of the condition found in that eye tells the story, and in addition to that we have the story recorded on his original sheet. His condition can be no worse now. If this were a senile cataract he would be getting a pension, but it is a traumatic cataract.

Mr. MACNEIL: Would it be possible that a man blind in one eye would be accepted for overseas service? Major Burgess has stated that it must be something obvious. How would a layman be able to know a man's defects?

MAJOR BURGESS: The officer would say to the man "put your hand over your eye," and he would hold out his fingers and say "can you see my fingers." It does not require a specialist to do that. This man on his second enlistment was accepted as a low-category man.

COLONEL THOMPSON: Then paragraph (6) reads—

"That the definitely recognized principle of the G.W.V.A., that all pensions should be equalized without consideration of rank, be re-affirmed in accordance with the requirements herein previously set forth."

That is a question of policy, and I have no comment to make.

"(6) That the definitely recognized principle of the G.W.V.A., that all pensions should be equalized, without consideration of rank, be re-affirmed in accordance with the requirements herein previously set forth."

That is a question of policy.

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Mr. NESBITT: That is a pure matter of policy, Mr. Chairman.

By the Chairman:

Q. I think it would be well if Colonel Thompson would give us the amount of pension payable to those under the rank of Captain, and the amount payable to those of the rank of Captain and over?—A. The Chairman suggests that I give you the amount of pension received by those under the rank of Captain, as compared with the amount of pension paid to those of the rank of Captain and over.

Q. All over the rank of Captain receive the same amount of pension?—A. Those under the rank of Captain receive a total of \$17,713,931.16.

By Mr. Copp:

Q. That is, under the rank of Captain?—A. Yes, and those of the rank of Captain or over receive a total amount annually of \$498,575.

By the Chairman:

Q. These are the figures for the disabled?

Mr. NESBITT: Nothing to do with the dependents?

The CHAIRMAN: No.

By the Chairman:

Q. Now, the next clause?—A.—

“That the Government make provision whereby former members of the Forces, classified as ‘hip amputation cases,’ or who are unable to wear an artificial limb, because of medical reasons, be awarded a higher rate of disability than if they were able to wear such artificial limb.”

As a matter of fact, they do receive a higher pension, but I understand Mr. MacNeil means they should receive a higher rate than they are now receiving. In other words, if a man can wear an artificial leg, he does not get as high an award as the man who is unable to wear one, and we pension these cases accordingly.

Q. How much higher?

MAJOR BURGESS: Hip amputation is set at 80 per cent, now it is presumed that that man wears a leg. If he cannot wear a leg, his disability is very much greater, and there is no specific amount laid down as to the increase, it all depends upon each individual case.

By Mr. Redman:

Q. Who determines whether he can wear a leg or not?—A. It is the orthopaedic specialist of the S.C.R.

Q. It is not left to himself?—A. No, no. It is a thing that has to be very carefully investigated because it would leave a loophole for him to leave off his leg. It is done on the say-so of the orthopaedic specialist. We have cases of men who cannot wear their artificial legs, and who are getting a higher pension, some of them 100 per cent and an additional allowance for helplessness.

Mr. REDMAN: Have you any figures, Mr. MacNeil, on this subject?

Mr. MACNEIL: No, sir, it is to be determined upon the merits of each case. The complaint is advanced by these men that the extra remuneration is hardly sufficient to compensate them for the disadvantages they must endure.

Mr. EDWARDS: I should infer from the reading of the recommendation that they receive no additional amount now—that is those who cannot wear an artificial leg.

Mr. MACNEIL: Possibly the phrasing is a little loose.

Major BURGESS: As a matter of fact there are very, very few cases that cannot wear artificial appliances.

[Col. John Thompson.]

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The CHAIRMAN: But those few cases have their pensions increased, and some particular ones receive up to 100 per cent, plus allowances for helplessness.

Major BURGESS: In accordance with the added disability they have.

By the Chairman:

Q. No. 8?—A. "That provision be made for the payment of pension to the dependents of those who die subsequent to discharge, and where weakened vitality resulting from war service has been a contributing cause of death." That is vaguely worded, Mr. Chairman, I can give no estimate whatsoever as to the annual increase in respect of that recommendation. I can do so, but since yesterday it was not possible to prepare that information. It will be necessary to revise thirty thousand files before we can select any doubtful cases.

Major BURGESS: Of course, if the intimation under that section is that we do not pension dependents when service has weakened vitality, it is not in order, because if it is definitely shown there has been weakened vitality as a result of service, which has predisposed to disease or which had rendered recovery from disease improbable, then the dependents get a pension.

Mr. EDWARDS: Suppose the case of a man discharged physically fit, who, later on, dies?

Major BURGESS: In many of these cases, dependents have been pensioned. It depends on the particular case, the nature of the disease, and the length of time at which it appears after discharge. Before these cases are disposed of investigation is held into the circumstances. For instance, if the man was discharged as fit, we try to get hold of a reputable doctor to report on what that man's condition actually was when he came home; if it is shown that he was not able to carry on, that he had a breakdown, and that at the time of his death there was a thread of continuity that establishes his case. On the other hand, if we find that for a period of months, sometimes years, a man had carried on at a certain occupation, and then he breaks down from some cause—it is the length of time that is important.

Mr. EDWARDS: Supposing a man is discharged physically fit, and dies within twelve months of his discharge, is there any provision now for paying pension to his dependents?

Major BURGESS: There is in tubercular cases. It is considered if pulmonary symptoms appear within a year after discharge, that it is a pensionable case.

Mr. EDWARDS: If there is no provision for cases of that very kind——

Major BURGESS: There is a regulation.

Mr. EDWARDS: I was going to suggest that a recommendation be made whereby provision should be made to cover them.

Major BURGESS: There is that regulation, only with this provision that there must be a reasonable length of service, that is if the man has a year's service, he comes in.

Mr. REDMAN: Do you have a great deal of trouble in regard to this section?

Major BURGESS: We do indeed.

Major REDMAN: In carrying out your policy do you give the benefit of the doubt to the man?

Major BURGESS: We give the benefit of the doubt in every case where the doubt is a reasonable doubt. It is a very hard thing to know what is meant by "benefit of the doubt."

Mr. REDMAN: What about post-mortem examination?

Major BURGESS: A post-mortem examination is held whenever the relatives consent. When a man dies the relatives are approached and the subject is brought up

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to them immediately, and it is pointed out that it might be of very great importance to have the result of the post-mortem. Of course, we cannot have that post-mortem unless they consent.

The CHAIRMAN: My memory is that these cases became acute during the influenza epidemic, that a great many claims were put in that death was due to lessened vitality as a result of service. Are there many complaints now, in connection with the influenza?

Major BURGESS: Claims of that sort do arise.

The CHAIRMAN: They do?

Major BURGESS: Yes, but those cases were all investigated and were decided on their merits in every case.

Mr. MACNEIL: Do you not think it should be specified in the Act that some definite form of recommendation should be given, to clear up the situation, to have a definite form of application that should be made?

Major BURGESS: I do not think it would add anything to the Act; I think it would be superfluous. To my way of thinking that is the first principle. It is so plain that it is unnecessary to put it in. If that section was not being followed out, it would be a gross injustice. That has always been the first principle we considered.

By Mr. MacNeil:

Q. May I suggest for Mr. Burgess's explanation the case of a man who was being pensioned for a heart affection and subsequently was required to undergo an urgent operation for some other cause? It is claimed by the doctors who conducted the examination that his death occurred because of the administration of the anaesthetic. He was unable to survive the operation. However, the Pension Board in this instance refused to award a pension because the death did not occur actually while the man was under the anaesthetic. There are cases of just that type, which the layman finds it difficult to deal with.

Col. THOMPSON: Was that the case that came from near Barrie?

Mr. MACNEIL: It may be, I would like to consult the files.

The CHAIRMAN: Would you obtain the particulars of that case and submit them to the Sub-Committee?

Mr. MACNEIL: Yes.

Major BURGESS: I have no particular knowledge of that case. Certainly I do not recollect it. But if the facts are as have been stated, if it was a heart condition that caused death, I do not think that is of importance. If the man died as the result of the anaesthetic that is a different thing.

Col. THOMPSON: I would like to go back to clause 4 as I have the information that was asked for. If pensioners in the United States were brought up to the Canadian rates, and only those, the approximate increase per annum would be \$200,000; that is, if we were to omit the residents in Great Britain and elsewhere.

The CHAIRMAN: Now pass to clause 9.

WITNESS: (Reads)

"That the percentage of disability awarded a pensioner by a medical board, if satisfactory to the applicant, should not be subject to review or revision at Ottawa, this resolution not to interfere with the applicant's right of appeal if dissatisfied with the award."

That is a matter policy.

The CHAIRMAN: We discussed that very fully when Mr. MacNeil was before us.
[Col. John Thompson.]

APPENDIX No. 2

Major BURGESS: I have some evidence that I would like to submit. I have here a record for one month, from January 1st to January 31st. It is the record of increases which have been made on review and of the decreases which have been made on review, and the reasons therefor. The point is that there are practically as many increases on checking over as there are decreases. Of course there is this feature about it: it seems only reasonable that in the expenditure of such a great amount of money there should be a double check. You have millions of dollars being spent without being checked and they cannot be checked by any person; they cannot be checked even by the Auditor General.

By Mr. Ross:

Q. Does the re-checking save money?

Major BURGESS: It does save money, I understand, because in the district offices they cannot get the documents, and if they awarded a pension to every man who appeared with a disability you would be awarding pensions to cases that had no war disability whatever, and there would be no way of checking that up.

The CHAIRMAN: I think that these figures might be placed on file. (See following pages).

By Mr. Nesbitt:

Q. I would like to ask Mr. MacNeil if the complaints are come from local doctors or from the official examining doctors.

Mr. MACNEIL: From the official examining doctors. A man when he is examined is usually informed as to the ratio of his disability, and it naturally causes dissatisfaction if his pension is substantially reduced. The complaints are comparatively recent. For some time, for some reason, there was very little mention of this subject at all until the beginning of this year.

Mr. EDWARDS: Have they any right to tell the man?

Mr. MACNEIL: That is done now under the existing procedure.

Major BURGESS: With the stipulation that in certain cases the man be advised that it is a tentative award. That is where a man wanders into a district office, they examine him, and say to him, "You have a disability of 20 per cent, but whether you will get pension for this or not we cannot decide in the absence of the doctor."

By Hon. Mr. Béland:

Q. Can you tell us what proportion of cases has been increased?

Major BURGESS: In the list which I have here, which is for one month, there were 28 decreases and 20 increases.

By Hon. Mr. Béland:

Q. Out of a total of how many?

Major BURGESS: Out of 48 cases.

Hon. Mr. BÉLAND: They were all altered?

Major BURGESS: Forty-eight cases were altered.

Hon. Mr. BÉLAND: All the cases submitted from the district were altered?

Major BURGESS: Forty-eight of them. Of course, that would not be all these cases by any manner or means. That would be 48 cases out of probably 2,500 to 3,000 cases.

Mr. MORPHY: How many were increased?

Major BURGESS: Twenty-eight were decreased and 20 increased.

Mr. ROSS: What is the actual amount of increases?

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Major BURGESS: I have the different percentages.

Mr. REDMAN: For what month?

Major BURGESS: January 1 to January 31. Understand that these are not records which we keep. This one was prepared for another purpose.

Mr. DOUGLAS: You say that out of possibly 2,500 cases 48 were altered. I suppose the other cases went through as advised by the district officers?

Major BURGESS: Yes, sir. These figures that I am giving do not represent a whole month's work. They are for one particular branch and were prepared by a gentleman who happened to be dealing with eye, nose and throat cases.

The CHAIRMAN: The figures will be placed on file. Now we come to clause 10.

WITNESS: Clause 10 reads:

That a repeal of Section 33 (1) be secured, and the following substituted therefor:—

Pensions shall in all cases be paid to the widow of a member of the Forces without reference to the time of appearance of the disability, which resulted in his death, unless and until it be substantiated that the marriage of such member was contracted with the intention of procuring pension for such widow, and not a bona fide carrying out of the engagement; provided, however, that such disability shall not have been caused by the act of such member or vice, and that pension be only payable while such widow remains unmarried.

(2) No pension shall be paid to the widow of pensioner unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him at the time of his death, and for a reasonable time previous thereto.

Mr. MORPHY: Before coming to that, I would like to be clear about that list submitted by Major Burgess. Do I understand him to say that he has examined all these innumerable cases in the same way as he examined the 48?

Major BURGESS: These have all been examined.

Mr. EDWARDS: By you?

Major BURGESS: Not by me, but by one of my colleagues.

Mr. EDWARDS: You have looked into it?

Major BURGESS: Not personally.

Mr. EDWARDS: But you are assured of that?

Major BURGESS: Yes.

The CHAIRMAN: Now we come to clause 10.

Mr. H. MACKIE (Renfrew): I am not a member of the Committee, but I have a point that I would like to have discussed. The travelling medical representative of the Pension Board goes up through the Ottawa Valley. Says he is from the Ottawa office. He reviews all the cases, quite a number. But the next man who comes is probably from the Montreal office. I have known that to be the case. I think the last representative was from Montreal. Now, would it not be very advantageous if the same medical man came each year, particularly where tubercular cases are concerned, so that he would know the cases and be able to judge whether they had improved or otherwise since his previous visit and whether a man should get an increased pension or not? In my locality, I have found a great difference of opinion among the medical men. Would it not be possible to arrange that the same man should come each trip?

Major BURGESS: It is arranged, wherever possible, I understand, that the same medical staff shall be used, but you cannot keep the same medical staff always. Where possible, the man is examined by the same doctor as before—tuberculosis cases par-

[Major Burgess.]

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ticularly. We endeavour to do that. But a man at one time is in St. Agathe, in the Montreal area, and then he may go out west and be in a western sanatorium. That is another point as to the value of checking those cases at head office, where they can be reviewed. If there is any divergence of opinion the referee is called before the case is decided.

Mr. AHERN: Mr. Lawson has submitted these figures representing these examinations: Out of 65,000 examinations there were 6,052 increased, 9,441 decreased, 7,436 cancelled, and 42,071 no change.

Mr. MORPHY: What do you mean by cancelled?

Mr. AHERN: Cancelled altogether.

Mr. ROSS: What was the monetary change in increases and decreases?

Mr. AHERN: I have not got that.

Major BURGESS: Another very important feature about reviewing at Head Office is that it maintains consistency of awards. In other words, the man at Halifax gets the same as the man at Vancouver having the same disability. If you did not have the cases reviewed and checked you would not have consistency.

Mr. MORPHY: In the cases cancelled, what is the fact in regard to satisfaction or dissatisfaction by the men themselves?

Mr. AHERN: I do not quite understand the question. A man comes into the local office; he is examined and told at the time that the disability had ceased to exist, and that it is recommended that his pension will not be continued. He has an opportunity then of expressing his satisfaction or dissatisfaction.

Mr. MORPHY: What is the result generally? Is there much dissatisfaction expressed? Does it come back to you in some way?

Mr. AHERN: Not a great deal. There are a number of cases that do come back, but generally speaking, no.

Mr. ARTHURS: Is there any difficulty experienced by the men in having a re-hearing?

Mr. AHERN: No, except in the case of a man who is examined last month; he comes up this month and wants another board, and we take it that the result of last month's board, providing everything was satisfactory, should be sufficient indication of his condition. If he comes up in six months' time and says his trouble has increased, we would give him another board without any question.

Major BURGESS: When the man is examined he signs the medical report certifying he has heard read the description of his condition, and that it is satisfactory, and he signs it, and it is then explained to him "you have no disability and we are going to discontinue your pension."

Mr. ARTHURS: When he signs it?

Major BURGESS: No, when his examination is completed

Mr. ARTHURS: I think he signs it first, does he not, and then he is told he gets no pension?

Mr. NESBITT: What is the difference?

Major BURGESS: Even that fact does not deny him any right of appeal. We will presume that he does not agree with the finding, he may write to the Head Office and complain "You have discontinued my pension, and I think I still have a disability, and my own doctor thinks so," and this may be the week after, and we say "Bring in your doctor's certificate and let us have it." He brings it along. Supposing the certificate agrees with our examination, we tell him "your case is closed, unless you can bring forward different evidence," but if the doctor's certificate does not agree with our examination, we arrange for a re-examination with a specialist.

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Mr. ARTHURS: When?

Major BURGESS: Right away.

Mr. REDMAN: Is his own doctor represented on the examination?

Major BURGESS: Yes, if he wishes.

Mr. DOUGLAS: Did your statement of cases that were cancelled apply to cases under review only, or new applications?

Mr. AHERN: In fact, there is no such thing as new applications now. That applies to all cases.

Major BURGESS: There are men who were discharged two years ago without any disability who write in for the first time and say they have some disability and we put the onus of proof on the man to show he has disability by asking him for the medical certificate.

Mr. WILSON: I have a case that I referred to the Pension Board of a young man, a bank clerk, who enlisted in the C.E.F. and went overseas, and was discharged from the C.E.F. overseas, and according to the record that has been furnished me by the Pension Commissioners, he re-enlisted in the Royal Air Forces and was eventually discharged in England 22nd September, 1919. He returned to Saskatoon to take up his former position, was a couple of months in his former position in the bank and then committed suicide. I have several letters from parties who were intimately acquainted with the young man before he went over and were intimately connected with him on his return, and they claim that his mind did not seem to be right,—melancholy,—and he finally committed suicide. Now there is a case where his widow should be pensioned, and the Board is taking it up with the Director-General of awards in London.

The CHAIRMAN: This is not a Canadian case.

Mr. WILSON: Yes.

The CHAIRMAN: He enlisted in the Air Forces.

Mr. WILSON: He enlisted in the C.E.F. and went overseas and was discharged November 29, 1918, and then enlisted in the Air Forces.

The CHAIRMAN: Surely not discharged November, 1918, after the armistice, and then entered the Air Forces?

Mr. WILSON: Yes.

The CHAIRMAN: I do not think they were taking men in the Air Forces after the armistice.

Major BURGESS: It is an Imperial case, submitted to the Minister of Pensions.

Hon. Mr. BÉLAND: How is the case brought before us? It is not a case that would be pensioned by this country.

Colonel THOMPSON: No.

The CHAIRMAN: If he was a member of the C.E.F. it might come under Canadian pensions. I suggest the file should be drawn and the case dealt with by the sub-committee.

Major BURGESS: We have no jurisdiction over death claims of Imperial soldiers. We submit the facts to the Minister of Pensions, but we have no jurisdiction over them.

The CHAIRMAN: This man was originally a member of the C.E.F. I think there is no reason why the sub-committee should not draw the line.

Mr. MACNEIL: What evidence could be accepted by the Board of Pension Commissioners as to the man's disability in such cases where there is no entry of injury on the man's medical history sheet?

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Major BURGESS: It would be by affidavit.

Mr. NESBITT: Where was the man discharged?

Mr. WILSON: This man was discharged in London.

Colonel THOMPSON: Then paragraph (1) of recommendation number 10 reads—

“Pension shall, in all cases, be paid to the widow of a member of the Forces without reference to the time of appearance of the disability, which resulted in his death, unless and until it be substantiated that the marriage of such member was contracted with the intention of procuring pension for such widow, and not a bona fide carrying out of the engagement; provided, however, that such disability shall not have been caused by the act of such member or vice, and that pension shall be payable while such widow remains unmarried.”

The CHAIRMAN: Have you any figures as to that?

Colonel THOMPSON: No figures. I would have to review all of the files.

Mr. NESBITT: You might try and give us the figures, because it is the same old question of the subsequent marriage.

Mr. REDMAN: Suppose we made it effective up to the 1st of January this year, could you possibly get the figures for that?

Colonel THOMPSON: I could not without reviewing the files.

Mr. REDMAN: You could not give more than an estimate?

Colonel THOMPSON: No, not without reviewing several thousand files.

Mr. REDMAN: I think we could safely make it retroactive.

Colonel THOMPSON: As a matter of policy. The only comment I would make on that is with reference to the fifth line: “Unless and until it be substantiated that the marriage of such member was contracted with the intention of procuring pension for such widow.” It would be physically impossible to decide on the intention, the Board of Pension Commissioners cannot tell what the intention of the woman is when she is married.

By the Chairman:

Q. Now subsection (2)?—A. (Reads) “No pension shall be paid to the widow of pensioner unless she was living with him or was maintained by him or was, in the opinion of the Commission, entitled to be maintained by him, at the time of his death, and for a reasonable time previous thereto.” That is the same as at present.

Q. That is just a repetition, Mr. MacNeil explained that. Now, No. 11?—A. “That the attention of the Government be directed to the fact that the commutation of pension now provided is not fairly calculated on the basis of the present aggregate value of a permanent pension, and that, because of this, many disabled soldiers in straightened circumstances are being induced to elect for commutation at considerable monetary sacrifice.”

Mr. NESBITT: It was pointed out yesterday and Mr. MacNeil suggested, that we ask that it be referred to the Insurance Department.

By the Chairman:

Q. Then we will leave that as it stands for the evidence of Mr. Finlayson. No. 12: “That a greatly increased pension rate be granted to all ex-members of the Canadian Expeditionary Force who are suffering from disabilities by reason of which they are compelled to live in specified areas, as described (such as the Okanagan Valley, B.C.), and we suggest that pensions of not less than fifty per centum disabilities be paid to such men until such time as the improved state of their health enables them to undertake and compete in the class of work which is most easily obtainable throughout the district.”

Hon. Mr. BÉLAND: What would Dr. Burgess say in regard to that?

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The CHAIRMAN: The Doctor addressed us on that subject when it came up yesterday.

Major BURGESS: I would just like to know what is the particular class of "disabling conditions," referred to.

Mr. MACNEIL: T. B. and neurasthenic cases particularly.

Major BURGESS: I would conceive that the neurasthenic would require change of climate in the majority of cases. These cases come under the Soldiers Civil Re-establishment Board, and it is up to them to see that they are taken where they can be best treated. We do not consider the neurasthenic for pension until he passes from the hands of the D.S.C.R. and they say that no form of treatment will do this man any further good, or else that he is cured.

Mr. MORPHY: Can you tell the Committee what the D.S.C.R. is doing with the neurasthenics under section 12; are they maintaining supervision of them?

Major BURGESS: For the cases that have been cited as neurasthenic, there have been established throughout Canada special centres which are headed by pathologists, specialists in that form of disease, and they take the neurasthenic man under their care, they observe him for a while, they ascertain the nature of his individual case, and then he is treated accordingly. Then there is another class of cases who have been taken from Montreal out west and placed on farms, where they have undergone treatment for a while, and then been brought back. Whatever treatment is advised, they get. If it is a change of climate, or whatever it is the specialist advises, the man gets it. In tubercular cases, the patients are sent to sanatoria until the specialists in charge of the institution say that this man should be discharged. If the man is at certain stages which are known as "improved," "quiescent," or "arrested" cases. They receive consideration accordingly. The "quiescent" case is one where the disease has been stationary for a certain period, and the "arrested" is when it has been quiescent for months. These cases get one hundred per cent. A case which is discharged as "arrested" or "cured" either of those cases are cases where there is no active disease for a period of two years. Those cases do not get one hundred per cent, they get fifty per cent and they are examined at six-months intervals, and if at the end of six months the specialist recommends that this man should have rest for a further period, he is given it, and finally on the recommendation of the specialist, the man gets a pension according to his disability.

Mr. MORPHY: My question was directed more to the executive functions of this Department; are they being carefully and systematically carried out as to the individual cases?

Major BURGESS: I believe they are.

An hon. MEMBER: What about cases of asthma and bronchitis?

Major BURGESS: For asthmatic cases pension is given according to the degree of disability, whether 100 or 50 per cent. He may have no actual or physical disability; it is one of the greatest difficulties we have; the man may be able to go about and carry on in any occupation so far as the strength he has, but he should not do some things, because of the medical advice imposed on him. The doctor tells him: "You should do so-and-so, and you should not do other things." And for that reason he gets a pension, and the amount of the pension depends upon the extent of his restrictions, and in considering that, climatic conditions are brought into consideration.

Mr. NESBITT: Yes, for asthma.

Major BURGESS: But, as I said yesterday, I received information that in certain parts of British Columbia, these men were all being sent to one place; naturally they all could not find work, because there is not work there for them, and in that case, as I understand this section, it implies they should receive a larger pension, fifty per cent has been suggested. That, of course, might not be a difficult matter if it were a question

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of compensating for disabilities they have, but this is a question of compensating them for the fact that they cannot get employment.

Mr. MACNEIL: There is also some complaint with regard to malarial cases, there are very few of them; are they pensionable?

Major BURGESS: They are pensionable, when there is disability. If their occupation is restricted, or if they are restricted to certain climatic conditions, they get a pension. The mere fact that a man had malaria some years ago, does not entitle him to get a pension now, but he gets it if the evidence shows that he is entitled to it.

By the Chairman:

Q. No. 13?—A. "That no deduction be made from the pension of a widowed mother on account of income derived by her from any source whatsoever."

By Mr. Redman:

Q. What is the present law?—A. It is in the Statute there, \$60 a month, no deduction is made in respect of her having her own home, or income up to \$20 per month. The result of this proposed change, would be an increase of \$1,902,000.

Q. Can you tell us what the increase has been?—A. Perhaps Mr. Lawson can do so.

Mr. LAWSON: It is the amount of income derived outside of the pension.

Colonel THOMPSON: The Chairman wants to get the increase.

Mr. LAWSON: It is the difference between \$403 at present and \$720.

Colonel THOMPSON: What is the total increase?

Mr. LAWSON: I have not the figures for last year.

The CHAIRMAN: I think we should have those. We increased the widowed mother's pension by allowing her occupation of the home and by fixing the amount due from unmarried sons living with her. There was an estimate given to us last session, but what that would mean in the way of increase is what we would like to know. You must have some definite figures as to the amount of increase.

Mr. LAWSON: It would be \$1,902,000.

Mr. MACNEIL: Would that sum represent the present deduction from the aggregate pensions paid to widowed mothers, or does it represent the increase that would result?

The CHAIRMAN: In a sense it must. In another sense it would not, because this change would bring on the pension list some widowed mothers who get no pension at all now. It is a play on words perhaps, but that is not actually a deduction from the widowed mother's pension.

WITNESS: Quite a number of widowed mothers receive no pensions.

By the Chairman:

Q. Under this change they would come on the pension list and get the amount?—A. They would get the full amount.

Mr. MACNEIL: It seems a very large sum, and I would like to ask for what reasons are deductions made now.

Mr. NESBITT: If they are getting more than their right.

WITNESS: I can give you an illustration, a case in point, where a woman has over \$30,000 invested in securities. She gets no pension. She would get the full pension under this. That is one of the items that would bring this up.

By the Chairman:

Q. The moment that a widow is shown to be receiving an independent income of \$80 per month, she is automatically precluded from getting a pension. Now we come to clause 14.

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WITNESS: (Reads)

"That the pension paid to orphan children is quite inadequate and should be substantially increased and should be made to the children of all pensioners who died subsequent to discharge, irrespective of the reason for such death."

By Mr. Edwards:

Q. I would like to ask a question in regard to that. Let me suppose the case of a widower with two or three small children. He is unable to take care of them and places them, we will say, in an orphans' home. Later on he enlists and goes to the war and is killed. In these circumstances, would those children be entitled to receive any pension? The point that occurs to my mind is this: When he handed those children over to that institution, the institution became the father of the children so to speak. He voluntarily gave up his relation as parent. Would that invalidate their claim to a pension?—A. We may or we may not. It is in our discretion.

Hon. Mr. BÉLAND: Did you state, doctor, that the father was not supporting the children at all in the orphans' home?

Mr. EDWARDS: I am just supposing a case. Take the case of a man in poor circumstances with two or three children. He has to go out and work. Perhaps he would not be in a position to support them, and he might think that they would get along better if they were put in an institution.

Hon. Mr. BÉLAND: Would he contribute while they were in the institution?

Mr. EDWARDS: We will suppose that he did not. I am supposing a case where he did not, where he gave up his responsibilities as parent and placed it upon the institution.

WITNESS: I think we would not pension that case.

By Mr. Edwards:

Q. If the man was killed, would those children be entitled to receive anything in the way of pension?—A. I am taking the case you have given, and I would say that generally in that case we would not, if he relinquished his rights in that way. On the other hand, if he had them in an institution because he was poor and unable to support them, we would no doubt give a pension.

Mr. EDWARDS: You can understand the position of a man who had two or three small children. We will assume, for instance, that one was two or three years old and that the other was a baby. The mother died, and the man might think that the best thing he could do was to place them in an institution. If he does contribute while they are there he retains his relationship as their guardian, and I would think that there would be no question in that case at all. But I am taking the other case, I am supposing that he does not contribute.

WITNESS: On the facts as stated I would say that we would not pay a pension. If he showed that he was not abandoning the children entirely, or was even giving a small sum to the institution, we would probably give a pension.

By Mr. Copp:

Q. It is within your discretion?—A. Yes, it is within our discretion.

Mr. NESBITT: Now go on to clause 15.

WITNESS: Clause 15 reads:

"That the allowance, in respect of the dependent parent of a disability pensioner be increased to equal the allowance awarded to married pensioners."

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By Mr. Nesbitt:

Q. What would that cost?—A. A large amount. I can only give you it in respect to Class 1 cases. In respect to disability men of Class 1, the annual increase would be \$12,000. The wife in Class 1 at present receives \$300; the mother in Class 1 receives \$180, and the proposed increase for Class 1 would be \$12,000 per year. The estimated amount required to increase the allowance to parents of disability pensioners at present on pension would be approximately \$12,000. I presume, Mr. Lawson, that this refers to Class 1 cases?

Mr. LAWSON: That applies to all classes.

Mr. ARTHURS: With regard to another class of case which has been brought to my attention, the pension payable to a widow of a deceased soldier who remarries—she is given one year's bonus.

Colonel THOMPSON: Yes.

Mr. ARTHURS: If her second husband dies subsequently, or at any time after that, she is not pensionable.

Colonel THOMPSON: No.

Mr. ARTHURS: Why?

Colonel THOMPSON: Under the Statute.

Mr. ARTHURS: Have you any considerable number of cases where a renewal of pension has been asked?

Colonel THOMPSON: I only recollect two.

Mr. ARTHURS: I would like to call attention very briefly to a very deserving case, and I think there are very many of these cases, because I agree with Colonel Thompson that the Statute is final in that regard. I have a letter from a woman who was the widow of a soldier killed in action. She has five children and she married about a year ago. The second husband died very shortly after her marriage. She has now five small children in very poor circumstances.

Colonel THOMPSON: The children are pensionable, but not at the orphan rates when he died. It would be increased to orphan rates when the widow remarried.

Mr. ARTHURS: If that is true it makes a difference.

Colonel THOMPSON: I think that is so.

Mr. REDMAN: What is the law in England in regard to a woman marrying again and her husband dying? Do they not take up the pension there?

Colonel THOMPSON: I cannot say.

Mr. REDMAN: They do not get a gratuity, but when the second husband dies she takes up the pension again.

Colonel THOMPSON: I do not know as to that.

Mr. EDWARDS: You have several cases, Colonel Thompson, where a widow is in receipt of pension for herself and also for her children, and where her pension was cut off because of her own misconduct, and the cheques for the children's pensions sent to some responsible person in that community or neighbourhood. You leave the paying out of that money to the judgment of the person who received the cheque for the children. Does that person say how much is to go for clothes and how much for this, that and the other?

Colonel THOMPSON: Yes, and accounts are rendered monthly to us.

Mr. EDWARDS: Do you send some person around to inspect or report on these cases—some official?

Colonel THOMPSON: We have always done so.

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Mr. EDWARDS: I think that is something that should be continued. Some official should be sent there, who would report to head office how these things are being handled. It is a very good and wise check.

Colonel THOMPSON: In Ontario, the Soldiers' Aid Commission has undertaken to do that for us. They have a more extensive organization than ours.

The CHAIRMAN: Mr. MacNeil has brought up a few other points, and we will run over them. Number 16 is a submission with regard to what he terms old-age disability. He points out that there are quite a number of men who are getting on in years and find it more difficult to procure employment, and he would like to know what the attitude of the Pension Board is to these men when they suffer a general breakdown of health. It is suggested we should hear the secretary of the Patriotic Fund, as I am advised they have a number of cases.

Mr. EDWARDS: Returned soldiers?

The CHAIRMAN: Yes, returned soldiers who have developed not quite serious disability, perhaps more from age, or the result of being in the service when they were over age, and the strain is breaking them down. Do you wish to make a statement on that?

Colonel THOMPSON: That is something outside our administration.

The CHAIRMAN: Number 17 was a discussion as to the pension awarded for the loss of the sight of an eye or the loss of one eye. A letter was read from a man I happen to know quite well who lost an eye, and he cannot understand why his pension is thirty or forty per cent instead of fifty per cent. He is an exceedingly reasonable man and one who has done a tremendous amount of work in the soldier's organization. His letter was read to you.

Mr. MACNEIL: Is it the intention of the Committee to deal with the old-age problem?

The CHAIRMAN: That is going back to number 16. We rather reserve that until we could hear what the Patriotic Fund had to say. We could take it up again.

Mr. MORPHY: My parliamentary duties on another committee will be heavy next week and I desire to be relieved of attendance on the sub-committee. I cannot possibly attend to it, and I move that the name of Mr. Duncan Ross be substituted for my name on that sub-committee.

Mr. NESBITT: I will second the motion.

(Motion agreed to.)

Hon. Mr. BÉLAND: I move that the Committee adjourn to Wednesday next at 11 o'clock.

Motion agreed to.

COMMITTEE ROOM 435,

HOUSE OF COMMONS,

WEDNESDAY, March 30, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. E. W. Nesbitt, Acting Chairman, presiding.

Other Members present: Messrs. Arthurs, Brien, Béland, Caldwell, Cooper, Douglas (Strathcona), Edwards, Green, McGregor, MacNutt, Redman, Ross, Savard, Sutherland, Turgeon, and Wilson (Saskatoon)—17.

APPENDIX No. 2

The ACTING CHAIRMAN: I am sorry to have to announce in the first place that the Chairman (Mr. Hume Cronyn), is laid up with tonsillitis and will not be here to-day. Therefore in the ordinary course of routine I have to take the chair. We have asked Col. Thompson to take up the suggestions of the Pension Board for the amendment of the Act and to deal with those suggestions this morning.

Col. JOHN THOMPSON, recalled and further examined:

By the Acting Chairman:

Q. Would you, Col. Thompson, first read the clauses and then give the explanation?—A. Before I go on, Mr. Chairman, I might say I was asked at the last meeting what the annual increase in the Pensions Bill would be if widowed mothers were placed in the same position as the widows of soldiers. The widow of a soldier receives a full pension, irrespective of any property she may own. As you are aware, a widowed mother is entitled to a house free and \$20 a month before any deduction is made with regard to pension.

Q. That is \$20 a month income, but she is entitled also to a pension?—A. If she has a free house and \$20 a month we make no deduction; over and above that we make a deduction. In other words if she has a free house and \$25 a month we deduct \$5 a month from that pension.

Q. What is the pension?—A. She would get \$55.

Q. The pension is really \$60?—A. \$60 and we take off the \$5 that she has over and above \$20 per month. If she is placed in the same position as the widow of the soldier the increase in the annual pension bill would be slightly over \$2,000,000 per annum. This will be slightly increased each year because additional dependent mothers are coming on the pension list.

By Hon. Mr. Béland:

Q. If a widowed mother had an income of \$30 per month but no free house, what would happen?—A. I could not say.

Q. Would you not deduct the \$10 from the pension? You allow a widowed mother a free house?—A. Yes.

Q. But take the case of a widowed mother who has not a free house, but having an income of \$30?—A. We would take \$10 a month off and pension her with \$50 per month. Before that amendment was passed we took into consideration all sources of income other than earnings, and we deducted approximately \$10 per month if she owned a house.

Q. There is no allowance for the house if she has not any?—A. If she hasn't a house, no.

The ACTING CHAIRMAN: That is a point worth considering.

By Mr. MacNeil:

Q. This refers only to dependent widowed mothers?—A. Widowed mothers, yes.

Q. Dependents whose dependency is recognized?—A. No—Widowed mothers. I am citing now the increase in the bill if the widowed mother is placed in the same position as the widow of a soldier.

Mr. AHERN: If she stands in the same position, dependency would not be taken into consideration. At the present time dependency is taken into consideration.

WITNESS: There would be no such thing as dependency.

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By the Acting Chairman:

Q. What is the amendment suggested?—A. Section 12 of the Pension Act reads as follows:

“12. A pension shall not be awarded when the death or disability of the member of the forces was due to improper conduct as herein defined: provided that the Commission may, when the applicant is in a dependent condition, award such pension as it deems fit in the circumstances, and provided also that the provision of this section shall not apply when the death of the member of the forces concerned has occurred on service.”

We suggest that after the word “service” in the second proviso the following be added: “In a theatre of actual war.” The second proviso would then read:—

“Provided also that the provision of this section shall not apply when the death of the member of the forces concerned has occurred on service in a theatre of actual war.”

I might say in explanation, that under the section as it originally stood there was no pension payable except under certain circumstances and that was in the discretion of the Commissioners. The Committee, I understand, considered that in the case of a man shot, say, by order of court-martial, or in the case of one who committed suicide in France, his dependents should be pensionable; hence the amendment which was made last Session, and which provided that this section 12 should not apply when the death of the member of the forces concerned had occurred on service. The reason we suggest this amendment is that at the present time if two men are in barracks in Ottawa, and one is drinking wood alcohol, and the other is not,—he being a sober man of good conduct,—and a shot is fired outside by a careless boy, and the man who is not drinking is killed, while that afternoon the man who is drinking wood alcohol dies as the result of his misconduct, being poisoned, the dependents of the man who died as the result of drinking wood alcohol are pensionable, while the dependents of the man of good conduct, who was sitting in the room and was shot by a boy outside, are not pensionable.

By Hon. Mr. Bédard:

Q. They are not?—A. His dependents are not pensionable.

Q. Is that clear under this section?—A. Yes, and it occurred to the Commissioners that when Parliament last year amended the section making cases pensionable where a man died as the result of misconduct on service, Parliament had in mind those who died as the result of misconduct on service in the theatre of actual war.

By Mr. MacNeil:

Q. What is the intention of the amended section with regard to cases of V. D. returned from England.—A. I could not say until I knew the facts.

Q. There was a case recently appealed, that of an officer returned from England with a history of syphilis, leading to general paralysis and to treatment in an institution for the insane.—A. Was he on service?

Q. He was in England only.—A. Did he die on service?

Q. He was transferred from the Militia and Defence Department to the Department of Soldiers' Civil Re-Establishment.—A. If it occurred on service, I should think he would be entitled to a pension.

Q. Would his dependents be entitled under the amended section; would they have a claim?—A. I cannot say definitely unless I know all the facts.

Q. What I am asking is with regard to the intention of the amended section. Would they rigidly exclude all such cases from consideration?—A. Yes, I should think it would.

[Col. John Thompson.]

APPENDIX No. 2

The ACTING CHAIRMAN: At all events we know the meaning of this. If the members of the Committee will cast their minds back they will remember that certain cases came before them, especially before the Sub-Committee, where men had been shot for desertion or something of that kind or where they had died as the result of their own indiscretions, with the result that their children were suffering. If I remember correctly the Committee were of the opinion that the children should not be punished for the evils of the parents. However, I think you understand the amendment. Do you wish to say anything Mr. Ahern?

Mr. AHERN: No.

Mr. COOPER: Are you confining it to children or to dependents?

The ACTING CHAIRMAN: Dependents.

Mr. MACNEIL: May I again cite this case in order that the meaning of the amended section may be clear? I cannot mention names, but an officer enlisted in a Canadian battalion, a man of good family, with dependents, and proceeded to England. Six months afterwards he reported sick. There was no diagnosis of any actual disease or syphilis until his return to Canada a year later. The Government recognized aggravation due to service and placed him in an institution for treatment. While under the medical treatment of the Government he died, and at the present time his dependents are not in receipt of a pension. Sometimes it is impossible to prove that disability was contracted due to misconduct. There seems to be a difference of medical opinion on that point. There have been similar cases where the disease has been contracted in an innocent way, and where there was aggravation due to service, or where it was a contributing factor to his death. Would not this amended section rigidly exclude all possibility of appealing cases where there was reason for consideration?

WITNESS: That case is affected by another section. I remember the case, and I remember that we refused pension in that instance. But the case you refer to was excluded under section 11 of the Act as amended.

By Mr. MacNeil:

Q. Nevertheless at the present time there is room for discretion on the part of the Commissioners, and would not the amended section remove that power of discretion?—A. That case does not come under that section at all.

Q. It was a case where the pension was refused because of misconduct?—A. It does not come under this section. This section applies to a man on service, and the Commissioners are asking that the words "on service" be more clearly defined.

The ACTING CHAIRMAN: I think the Committee understands what the Commissioners want. We will now pass on to the second amendment.

WITNESS (reads): "Number two? Subsection 5 of section 23 of the said Act to be repealed and the following subsection to be substituted therefor:

'(5) The children of a pensioner who was pensioned in any of Classes 1 to 5 mentioned in Schedule A and who has died, shall be entitled to a pension whether his death was attributable to his service or not, provided that the death occurs within five years after the date of his retirement or discharge or the date of the commencement of his pension, and provided also that when his death was not attributable to service such children are in a dependent condition'."

At the present time if a man is pensioned under classes 1 to 5, and dies within five years his dependents are pensionable; it does not matter whether he is run over by a street car or whether he dies from pneumonia, heart disease, or any other disease whatsoever. The nature of his disability has nothing whatever to do with the pensionability of the dependents. If he died within five years, they are pensioned.

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Mr. DOUGLAS (Stratheona): Five years after demobilization?—A. Five years after discharge.

The Acting CHAIRMAN: If the members will read subsection 5, Colonel Thompson will explain it. I think the only change is in the last three lines.

WITNESS: Yes, towards the end. We suggest that this class be not made pensionable unless the children or widows are in a dependent condition. When this provision was first passed, the Order-in-Council had reference to the cases of blind men, and men with one or both legs amputated. It was considered that men in that class could not avoid accidents in the same way as a man who was hale and hearty. But they are a very small proportion, as a matter of fact. All these were in classes 1 to 5. We will take the case of a man who was just under that class, who, for instance, had his legs limited in their movement. He would just be under that class, and if he were killed his dependents would not be pensionable. On the other hand, that man could not look after himself in the way of avoiding an accident to the same extent as a man, who, for instance, has 100 per cent T.B. We pension many people who are T.B. cases and give them 100 per cent even when they are only suspected cases, but that stamp of man can look after himself to a much better degree than a man who has a disability such as I have mentioned.

By Mr. Edwards:

Q. This would only apply then to men who had a certain percentage of disability?—A. It does now.

Q. What per cent?—A. Eighty per cent to one hundred per cent.

Q. That comprises classes one to five?—A. Yes. Personally I think there is one way of drawing a clause which is going to be fair and really just, which would be that only those would be included in classes one to five who were either blind or who had an amputation of either one or both legs.

Q. If this applied only to those with eighty per cent disability, why do you limit it to cases of death occurring within five years?—A. I do not know why.

The Acting CHAIRMAN: The Committee did that.

WITNESS: My view was that when that was limited to five years it was considered that a man who had an amputation or was blind, would possibly at the end of five years be able to look after himself and would not be so liable to accidents. The liability to accidents was the reason that this was passed.

By Mr. MacNeil:

Q. Did you consider the liability to sickness because of weakened vitality?—A. No, I did not.

Mr. ARTHURS: I think the question of lack of resistance was brought up.

Mr. EDWARDS: By fixing eighty per cent disability you are accepting a principle, and if you accept it for five years, you might as well accept it for ten years.

Mr. CALDWELL: I do not know why a man totally blind, or with a leg amputated, would be better able to take care of himself in five years than he would at the present time.

The Acting CHAIRMAN: That provision was not put in by the Commissioners. It was put in by the Committee, because there was no such clause in before, and we wanted to provide for a limited time at least till we saw how it worked out.

WITNESS: At the present time, if a man is merely suspected of T.B. and is run over by a street car, his dependents will be pensionable. If he is seventy-eight per cent disabled and run over by a street car, his dependents will not be pensionable, although the man might be badly affected in the legs.

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By Mr. MacNeil:

Q. Is it not a fact that many discharged from the sanatoria as suspects are total disability cases?—A. I could not tell you how many are one hundred per cent suspects. I will take any man who is discharged from a sanatorium as disabled to the extent of one hundred per cent; he can look after himself better than a man who is disabled to the extent of seventy-eight per cent with a crippled leg.

Q. Take a case of T.B. You will admit that even though the disease is arrested he suffers increased liability of incurring other ailments?—A. That is a medical question I cannot answer.

The Acting CHAIRMAN: All they ask us to add are these words—

“provided also that when his death was not attributable to service such children are in a dependent condition.”

Mr. DOUGLAS: Is that to be left to the discretion of the Board?

The Acting CHAIRMAN: Yes, it would have to be, I suppose.

WITNESS: The Commissioners are not pressing this amendment. They bring it to the attention of the Committee because they think the present Act works inequitably.

By Mr. Caldwell:

Q. Under the present Act have the children not to be under a certain age?—A. Yes.

Q. So that the dependency would be implied?—A. Yes.

By the Acting Chairman:

Q. Then take number three, “subsection two of section thirty-three of the said Act to be repealed and the following subsection substituted therefor—

‘(2) Subject to paragraph one of this section the widow of a pensioner who, previous to his death, was pensioned for disability in any of the classes one to five mentioned in Schedule A, shall be entitled to a pension whether his death was attributable to his service or not, provided that the death occurs within five years after date of his retirement or discharge or the date of the commencement of his pension.’”—A. That is the same as number (2) applied to widows.

Q. That is the widow shall be entitled to a pension—

“And provided also that when his death was not attributable to service such widow is in a dependent condition.”

A. Yes.

Mr. GREEN: We understand that.

By Mr. Brien:

Q. In those cases how are you going to draw the line between dependents and non-dependents?—A. In the same way as we do in determining whether the widowed mother is dependent or not.

Q. That is in the discretion of the Commissioners?—A. No, not in the discretion of the Commissioners. It is a matter of evidence.

By the Acting Chairman:

Q. Then clause four is a long one—

(4) “The footnote at the bottom of Schedule (A) of the said Act as amended by chapter sixty-two of the Statutes of 1920 to be further amended by repealing the second paragraph thereof and substituting the following paragraphs therefor—

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‘Members of the forces who are, at the time of retirement or discharge, or who later become disabled to an extent of between five and fourteen per cent may elect to accept a final payment in lieu of the pensions set forth in Schedule A. The amount of such final payment in cases of disability between five and nine per cent shall not exceed three hundred dollars, and in cases of disability between ten and fourteen per cent shall not exceed six hundred dollars, and shall be determined in accordance with the extent of the disability and its probable duration. Members of the forces permanently disabled between ten and fourteen per cent shall receive six hundred dollars. Members of the forces permanently disabled between five and nine per cent shall receive three hundred dollars. If an election has been made to accept a final payment such election is final unless the disability of the member of the forces concerned becomes greater in extent, in which case the pension shall be adjusted for the past period in accordance with the extent of the disability and the amount paid as a final payment shall be deducted. If a married pensioner desires to elect to accept a final payment the consent of his wife must be secured. All payments of pension made subsequent to the time at which an award of fourteen per cent or under is made shall be deducted from the amount of the final payment’ ”

A. I might briefly explain that. At the last session those who were disabled to the extent of fourteen per cent and under were entitled to commute their pension. Any pension paid after the 1st of September, 1920, was deducted from the total amount paid the pensioner, when commuting his pension. Then the curious situation which arose was this: at the present time men who were disabled to a greater extent than fourteen per cent and were not able to commute their pensions have improved; their pensions are now reduced to say, fourteen per cent or ten per cent and less, and they say now that they want to commute their pensions for a lump sum. Under the Act as it now stands we would be obliged to deduct all payments made since the 1st of September last. The result is that the man would get nothing, because, if he was a high disability pensioner, the total he would have received from last September would be more, in many instances, than he would now receive as a lump sum.

By Hon. Mr. Bédard:

Q. He would owe you something then?—A. So that we ask now that this amendment be passed in order that, if a pensioner be reduced from a rate higher than fourteen per cent to fourteen per cent or under, he be allowed to commute, without deductions for payments made prior to the time when he was reduced to fourteen per cent.

By the Acting Chairman:

Q. That is when he makes his choice?—A. Yes. It is provided here in the amendment.

There is just one other item which came to my attention since these were put in. Turn to section eleven of the Statute as amended.—Section eleven as amended reads—

“The Commission shall award pensions to or in respect of members of the forces who have suffered disability in accordance with the rates set out in Schedule A of this Act, and in respect of members of the forces who have died, in accordance with the rules set out in Schedule B of this Act, when the disability or death in respect of which the application for pension is made, was attributable to military service.”

It is in respect of the last five words that we are suggesting an amendment—
 “was attributable to military service.” [That is a very crude term, and as medicine
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is not an exact science by any means we suggest an amendment to the following effect: after the word "service" that the words "as such" be added. It really means that death was the direct result of military service.

By Mr. Cooper:

Q. The original section says "was attributable to or was incurred on service."—

A. Yes, that was because the forces were on active service at the time, and then after demobilization this clause was inserted and section 11 amended accordingly.

By Mr. Caldwell:

Q. Why was this clause cut out of the original Act "or was aggravated during military service?"—A. Why were these words cut out?

Q. Yes?—A. Because it was considered that some minor ailments which had occurred on service, or which had developed on service, which had nothing whatsoever to do with military service, as military service, would not be considered pensionable.

Q. The fact is that if a man has a minor ailment it would be aggravated by military service in a way in which it would not be aggravated in civil life?—A. Possibly. Dr. Burgess might explain that.

Major BURGESS: Before the war it used to be required that before a man could get a pension it would be necessary to show that his disability was the direct result of military service. When this Committee first sat they issued regulations that a pension should be paid if the disablement incurred while on service, differentiating between "while on" and "by"; that any disability at all that occurred to a man, while on service, was pensionable. After the war was over it was decided, last year, to return to the old principle of "by service." For instance, a man at the present time in the Permanent Force will be walking down the street and be run over by a street car—that would not be a pensionable disability as the result of military duty.

By Mr. Cooper:

Q. What if he were on duty?—A. If he were on duty it would be pensionable.

By the Acting Chairman:

Q. In other words this Pension Act was extended to present military service?—A. Originally, yes.

Major BURGESS: The idea is that disability, to be pensionable, must be a direct result of service.

WITNESS: That is the effect of the Act, but it is badly worded.

By Mr. Caldwell:

Q. Dr. Burgess' explanation no doubt covers the point that has been taken, but I think we will have to admit that in the case of a man who has gone Overseas possibly before the armistice—

Major BURGESS: Subsequent to the armistice.

Mr. CALDWELL: The aggravation on the service, because of his ailment, would be quite different in the case of a man in service at the present time getting struck with a street car.

THE ACTING CHAIRMAN: We struck out all that "aggravation" question; the committee considered it last year and the year before and there was a great deal of trouble.

Major BURGESS: This only applies to disabilities incurred subsequent to the armistice.

WITNESS: This amendment will not affect that case; if a man goes overseas with rheumatism, and it is aggravated on service, it does not matter, if he were living under ideal conditions on service he would be pensioned.

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THE ACTING CHAIRMAN: This proposed amendment only affects the present military service.

By Mr. MacNeil:

Q. I am still uncertain as to the effect of the proposed amendment to subsection 2 of section 33 with respect to the pension of a man who dies; is it not generally recognized that the wife is dependent on the pensioner?—A. Yes.

Q. Then why is it necessary to make the change?—A. Because if this amendment, that we suggest, is passed, if the pensioner were killed by a street car his wife would not be pensioned unless she was in a dependent position. If he dies as a result of his disability she would be pensioned whether dependent or not.

Q. How do you determine the dependency?—A. In the same way as a widowed mother; that word "dependent" means dependent within the meaning of the Act, namely, whether she has an income within the meaning of the statute.

By the Acting Chairman:

Q. That also is protecting the Government against claims of the present military service, is it not? A. No, that affects all present pensioners.

By Mr. MacNeil:

Q. Is that not in violation of the spirit of the Act, that the pension of the widow should be regarded as inviolate? A. That is the Act, because all outside the classes 1 to 5 who died of some cause, there is a pensionable disability; all men who die and leave a widow, the widow is pensionable. If the man is pensioned 79 per cent for heart disease, and is run over by a street car, his dependents are not pensionable.

By Mr. Cooper:

Q. Of course the Act is not inviolate at the present time, except for a term of years?—A. Quite so.

Q. After the five years there is no provision?

By Mr. MacNeil:

Q. Have you made a survey to determine how many are affected by this provision?—A. I cannot say offhand.

Q. To determine how many widows under the Pension Act from whose pension a deduction would be considered?—A. It would be classes 1 to 5, where a man dies of some cause other than the one for which he was pensioned.

By Mr. Arthurs:

Q. Have you the number of widows who have been pensioned under this clause,—widows of pensioners receiving a pension under 1 to 5?—A. I can get it readily, I haven't it here.

Q. The number is very small?—A. It is not very large.

Q. I think it would be useful if the committee had that information, also the causes of death—I presume most of them are caused by tuberculosis—I think it would be very interesting if the number and the causes of death were given.

By Mr. MacNeil:

Q. You refer to T.B. cases, is it not a fact that the man discharged from the sanatorium is advised to take only about four hours' exercise or four hours' labour per day? Would not your proposed amendment operate seriously to the disadvantage of that man, taking into consideration his earning capacity during that five years to make provision for his dependents?—A. I do not think so.

[Col. John Thompson.]

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THE ACTING CHAIRMAN: Well, now, gentlemen, we have heard the explanation of the Pension Board with reference to these proposed amendments, and it is for us to consider whether the amendments will go through or not when we come to them. The next order of business this morning is to hear some gentlemen who are here, and one of them, Mr. Fraser, has been asked, by summons, to discuss with us his views with reference to the tuberculosis question. We will now ask Mr. Fraser to come forward and give us his views.

W. S. FRASER called, sworn and examined.

By the Acting Chairman:

Q. What is your business?—A. I am a patient at the Mountain Sanatorium.

Q. Where?—A. Hamilton. I have been appointed by the 63 married men at Hamilton to outline a scheme for the re-establishment of tuberculous soldiers. This plan has been endorsed by all the sanatori in Canada under the supervision of the D.S.C.R. It is now recognized that the biggest problem of the tuberculous soldier is post-treatment—the post-treatment or care of the married man with children, because on his return home from the sanatorium his children must be taken care of, otherwise they may be infected. Proper houses cannot be obtained in Hamilton. I have here a report of the Hamilton Health Officer two months ago showing that 40 vacant houses were available and that only 10 were suitable to live in owing to the unsanitary conditions. Realizing that these conditions prevailed, three or four men started a little scheme of their own to build a house on a piece of property in Hamilton, and they got so interested in the subject that the discussion was brought up whether they could build a garden village such as is being built in England. The matter was taken up and discussed, and they got into touch with the medical advisers on T.B. cases as to the possibility of establishing such a scheme. As it is now, the 63 married men in Hamilton have gone into it, and they have purchased 100 acres near Ancaster in Dundas County. It is a suitable climate and the surroundings are congenial. Unless they make use of the Ontario Housing Act, which is a provincial Act, the total cost has been estimated at more than \$250,000. Each house will cost about \$3,000, but we feel that it would be a fruitless proposition if we were to establish these houses there and have no industry. As you know, in the case of the T. B. soldier, in time his pension is cut, and he is advised to do only two or three hours' work a day. But this employment cannot be found, and to meet this the Government have already established a Vet-craft shop in Hamilton for sub-normal men.

Q. Is that under the D. S. C. R.?—A. Yes. The man does two or three hours' work a day as his physicians prescribe, and the difference between his pension is made up by the D. S. C. R. allowance to the full disability. The charts of these men in the last six months have been examined, and in nine cases out of ten there was a great deal of improvement in their chest conditions, in their physical condition and in weight; so that it would be one solution of the re-establishment problem if the men could have an industry where they would not have to compete with outside industries. They would then have a chance of becoming an asset to the country, whereas under present conditions they would be invalids. Another objection to this Hamilton work-shop is that it is placed in the centre of the city while most of the patients live in the outskirts of the city. We have one man who lives in Dundas, and he spends an hour and a half in getting to work. The T. B. physician explains that the man's exercise per day is completed when he travels on the car for an hour to get to work. If this work-shop was situated closer to where the men live it would help to solve the problem. Another objection is that in this work-shop a man cannot get out of his head that he is not still in the army. He has certain work there to do

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and he has no incentive to produce anything. If he was in this work-shop and was paid for the amount of work he accomplished a day there would be an incentive, and it has been proven in other industries of this kind in England and in the States that T. B. occupations can be made profitable enterprises under certain conditions. One reason is that in the industries that they have established in the Old Country and in the States, they allow two T. B. men to do the same work as one ordinary man, and in working it out on that scale it could be made a profitable enterprise. The products that can be worked out in this work-shop are various. One is wood-turning. There is a great demand for that. I have been in conversation with the manager at Hamilton, and he says there is a great demand for articles of that kind, and it is work that is not harmful to T. B. men. It is work that they can do. Another thing is hammered metals, copper and such things; any light work that they can do. Now there are many ways in which the Government could assist to make this a successful plan. In the meantime, the men are going ahead with the proposition. They must have houses, and they are going to build houses, and it is proposed that the Government could assist them with this work-shop in some way. That is the problem, to have some industry where they could make a living and be an asset to the country. The whole garden village would be controlled by a board of directors that they are going to have of Hamilton men, men with keen vision who would have full control of the funds, etc. The mortgages on the houses will be held by these men and the rate of interest will be decided by the Provincial Government. The rent of each house will not be over \$10.00, a month and in time the house will revert to the owner.

By Mr. Caldwell:

Q. That is, the house will revert to the soldier who is paying what you call rent?—A. Yes.

Q. There will be an advertised scheme of payment?—A. Yes.

By Mr. Edwards:

Q. Would he be able to dispose of the house to another?—A. No, the Board of Directors would hold his mortgage, and if he decided that he did not want to stay there, he could not sell his house. It would revert back to the Board of Directors, and they could decide who should be brought in his place.

By Mr. Douglas:

Q. Under your amortization plan, how long would it take the soldier to own his house?—A. We figure about 20 years. At \$10 a month that would leave quite a bit of money with which to buy proper food.

Q. That would be without the value of the land?—A. Without the value of the land.

MR. CALDWELL: Paying \$10.00 a month would not make it his property in 20 years. It would take at least 7 per cent on the original investment.

THE ACTING CHAIRMAN: It would take \$40.00, and I doubt whether he would ever possess it.

WITNESS: We originally decided that the amount would be \$20, and that is the allowance I was making, but it was brought up again and decided that we would make that \$10 as the man needed every bit of his allowance to buy proper food.

By the Acting Chairman:

Q. You have produced an agenda here and I take it that you are taking the second clause, which is—

“That a loan of from three thousand to four thousand be advanced to the tubercular man desirous of availing himself of same, for the purpose of erecting

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a suitable dwelling on a site of his own choosing, which will be hygienic and be constructed as to enable the man to continue the cure on his return to home life."

Is that what you have been speaking of?—A. Yes.

Q. How would that be done?—A. Well, in this way, that this money can be obtained through the Housing Act in Ontario but it cannot be obtained in any other way.

The Acting CHAIRMAN: Under the Housing Act in Ontario they pay five per cent, and if the house cost three thousand dollars they estimate it would take twenty years at \$25 a month to pay for it. We built some of them at home.

By Mr. Douglas:

Q. Has there been any other scheme of this sort in any other province?—A. Not that we know of. We have been in communication with them all.

Q. I think you said that you had been taking this matter up with tubercular patients in other provinces. Your plan had been approved by other provinces or by patients in other provinces?—A. The plan has been submitted to all the sanatoriums and has been endorsed.

By Mr. Cooper:

Q. Are you of the opinion that any industry established for the benefit of T.B. men should be totally divorced from Government control and run by a directorate of the men, for instance?—A. I think that if the men understood it was to their own interest, they would have an incentive to make it a success.

Q. In other words, men drawing pay and allowances do not care "a hang" whether they work or not?—A. That is the idea exactly.

Q. You think it would be better to divorce it from Government control?—A. Yes.

By the Acting Chairman:

Q. Clause one reads—

"That the children of the returned tubercular soldier be eligible to take out insurance under the Returned Soldiers' Insurance Act, inasmuch as under the ordinary insurance companies the children are debarred from taking out insurance if the parents are tubercular."

Can you speak as to that?—A. There are two delegates, myself and Mr. Pyper, and I was handling this part of it.

Q. Is he here?—A. He will be here to-morrow.

Q. Go on with what you have to say.—A. I understand a representative of the D.S.C.R. has been sent to look over these industries for the tubercular soldiers in England, and I was told to explain this; that if the D.S.C.R. has any other idea or suggestion to place before them in this matter, they will be very eager to accept them. They have been working this out on their own plan, and they understand they have to make some provision for after-care in houses and industry, and they have been working this out on their own, and if there is any other idea or suggestion which can be given us, it will be gladly accepted.

Q. Then clause three reads—

"That if a man be desirous of transferring to a climate or locality more suitable to his health, the Government bear the expense of transferring his dependents if this be desirous."

Do you wish to speak on that?—A. No.

Q. Nothing but the houses?—A. Yes.

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By Mr. Edwards:

Q. How do you expect them to pay that \$3,000 by the payment of \$10 a month? At five per cent your interest would be \$150.—A. That is for the first year; we would make that \$10 for the first year, because there would be a big deficit in the workshop the first year; there would be practically no production, because the men would be only doing two or three hours work a day, but at the end of the first year they would be able to do more, and the production would increase, and the profits from the workshop in the end would make it pay.

By the Acting Chairman:

Q. Do we understand that what you suggest is that a community be established where the men would be allowed to build their own houses, and that a factory of some kind be organized there, and that the profits from the factory would add to their pensions, and those profits would be used to pay for their dwellings. Is that the idea?—A. Well, in the first place, there would not be any profit for a man who is on a pension.

Q. That would be up to us to say, but is that your suggestion?—A. Yes.

Q. Is there anything else you want to lay before the Committee?—A. I do not think so.

By Mr. MacNeil:

Q. How far have you carried this organization in Hamilton at the present time?—A. The land has been purchased and the Board of Directors is being appointed this week.

Q. Where was the money obtained for the land?—A. It was borrowed from private men in Hamilton.

By Mr. Turgeon:

Q. How much is that an acre?—A. \$200 an acre.

By the Acting Chairman:

Q. Near Ancaster?—A. Right near Ancaster.

Q. Were there any improvements on it?—A. It was worked last year, but we did not work it this year.

Q. Were there any buildings?—A. One building.

Q. Pig pen or house?—A. A brick house.

Q. Any other buildings?—A. And a barn behind it. It is an up-to-date farm.

Q. You did not work it last year?—A. We worked it last year, but not this year.

By Mr. Douglas:

Q. A fruit farm?—A. No.

Q. You paid what for it?—A. \$200 an acre. The park is shown on this map by this round space.

By Mr. MacNeil:

Q. What evidence have you as to the number of men who would support the project?—A. We have sixty-three who signed an affidavit that they would support this scheme, but we only have provided for forty-five houses. Some of these men will not be out of the sanatorium for a year or two.

By Mr. Douglas:

Q. Are these sixty-three men all married?—A. Yes; fifty per cent of them with over four children, and if there are no suitable houses provided for them the children are liable to be affected.

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By the Acting Chairman:

Q. That depends on the care?—A. But going into an unsuitable house in Hamilton, such as the Hamilton medical officer states here is absolutely unsanitary to live in—a man must have a house to keep his family.

By Mr. Douglas:

Q. In the meantime, where are these men living?—A. In the sanatorium.

Q. The whole 63?—A. The whole of them.

By Mr. Edwards:

Q. Where are their families?—A. In Hamilton.

By Mr. Douglas:

Q. Living in houses such as you have been describing?—A. The majority of them are living in houses that are not suitable—one man had three children—and the family is living in one room.

By the Acting Chairman:

Q. But the man himself is in the sanatorium?—A. The man is in the sanatorium, but his wife and three children are living in one room, he cannot get anything better than that.

By Mr. MacNeil:

Q. What provision have you made for the elimination of the man who does not live up to his agreement, and pulls out after you start him?—A. That will be left under the jurisdiction of the Board of Directors, there will be a representative of the Garden Village on the Board of Directors.

By Mr. Cooper:

Q. Who are the Board of Directors, are they prominent men?—A. They will be outside trustees, in Hamilton, business men in Hamilton.

By the Acting Chairman:

Q. They have not been appointed yet?—A. They have been approached with a view to their appointment, and they have consented to act on the Board.

By Mr. MacNeil:

Q. What provision has been made to prevent any dissatisfaction as to varying rates of income? One man will be able to make more than another?—A. Well, that will be determined by the doctor—the T.B. specialist will determine how long each man will work in the workshop, and if a man is absolutely fit to do a full day's work, he will do it.

By Mr. Douglas:

Q. Does that mean that there will be a "pooling" of the revenue in that workshop?—A. Not exactly. If a man works six hours a day he will be paid for each hour he works.

By Mr. MacNeil:

Q. In addition to his pension?—A. Yes, in addition to his pension.

Q. Then his income will be greater than the man who lives next door? Will that not be the cause of dissatisfaction?—A. Well, it should not, in the way that he is going to get a living out of it, whereas if he went out into the world he would not be able to get a living.

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By Mr. Cooper:

Q. What provision have you made for the dependents of the man who was taken into this scheme and who dies?—A. If the man's widow is subject to pension she will be getting a living to keep up the house.

Q. How will you provide for the maintenance of the house? Out of the funds from the factory?—A. Exactly.

Q. She gets the equivalent of what she would have if her husband had been living?—A. Exactly.

By Mr. MacNeil:

Q. Do you propose that the subsidy for this project should come direct from the Federal Government, or from the provincial government, speaking of the enterprise in its broader aspect for the whole country?—A. Well, the tubercular soldier is a federal responsibility, it should come from the Federal Government.

By Mr. Douglas:

Q. Do you mean that he is recognized to-day as a federal responsibility?—A. Yes.

Q. I thought some of the provinces have recognized they are liable as well.

The ACTING CHAIRMAN: We, ourselves, recognize the federal responsibility.

Mr. GREEN: Yes.

By Mr. MacNeil:

Q. Is it proposed that the Vetcraft Shop be transferred from the city to this colony?—A. Well, in exactly the way the Vetcraft Shop is working in Hamilton now. The man's pension, if he is getting 80 per cent pension, is made up to full disability by pay and allowances, irrespective of what he does in the workshop. Therefore, there is no incentive to work in the workshop.

The ACTING CHAIRMAN: He does not get anything extra for working?

WITNESS: He does not get anything extra for working.

By Mr. MacNeil:

Q. What evidence have you that the project can be made self-supporting and placed on a sound commercial basis?—A. In communications with the tuberculosis industries in England and in the States, and providing you take an industry that is endorsed by the others, you can make it a profitable industry—not farming, farming is absolutely unprofitable.

By the Acting Chairman:

Q. You are wise in that opinion, my boy.

By Mr. Arthurs:

Q. With respect to these men who are now working in the present shop in Hamilton, is that shop entirely under the control of the D.S.C.R.?—A. Yes.

Q. And their men only are working in there?—A. Yes.

Q. Are there any other workmen there outside the workmen under the D.S.C.R.?—A. No.

By Mr. Cooper:

Q. The amount of work to be done by each man is fixed by medical regulation, the work is there to be done, and the men participate in the profits. Is there anything in the conditions under which the work is done to prevent a man from keeping in a reasonable and sane state of mind?—A. The amount of work that a man has to do in the workshop will be determined by the T.B. experts.

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Q. Yes, but in the case of a man who is not allowed to, and who yet knows he might be able to make some extra money, how are you going to compensate that man for his state of mind? I understand that in tubercular cases the main thing is to keep the man in a good frame of mind.

The ACTING CHAIRMAN: They have not got far enough along for that yet, you are too scientific.

Mr. PARKINSON, Deputy Minister D.S.C.R.: I want to explain the work. It was established under order P.C. 2328, with which you are familiar, which was to make provision for the workshop we had in Hamilton, and it was to provide for the reasonable employment of what we call sub-normal men; there are other than tubercular men at present employed in that workshop. Their pay is on the basis of the vocational pay and allowances, less any pension they are in receipt of. For instance, a man who is unable to obtain employment under other conditions, and is in receipt of a pension to the full extent covering war disability, but is not able to live on that pension, although it is all he is entitled to from the Federal Government on account of such disability. We have made provision for giving that man employment in the workshops, and they are paid on the basis of the amount of time they can work. For instance, the doctor determines that a man shall work four, five or six hours a day. Take the case of a man who can work six hours per day, if he only works five hours, he gets only 5/6ths of the total allowance he is entitled to. I wanted to explain that because he is not paid altogether on the basis of pay and allowances, but on the proportion of the time he puts in. In most of the shops they sign books, and a record is kept of the exact time they work; if a man is excused for medical reasons he is allowed full pay and allowances.

The ACTING CHAIRMAN: But it is deducted if they do not earn it?

Mr. PARKINSON: Yes, it is deducted if they do not work the full amount of time.

The ACTING CHAIRMAN: We are very much obliged to you, Mr. Fraser, for laying your plans before us, and I have no doubt the Committee will give full consideration to them.

Witness discharged.

Mr. GREEN: I have to report for the sub-Committee on evidence that your sub-Committee naturally feel the Committee, as a whole, want to obtain all the information that is possible and necessary to enable them to arrive at a proper conclusion as to all matters that are being considered by them. At the same time your sub-Committee believe they are probably in a better position than the general public, at least, to decide who should be called, in fact, that is what we were appointed for, so that there will not be duplication and that the time of this Committee will not be taken up unnecessarily. We discussed the question of hearing witnesses in connection with tubercular patients, and we decided that the question and the situation generally, and the wants of the tubercular patients throughout Canada in general, were very much alike. We therefore decided to recommend that this Committee call a man from Ontario, a man from Quebec, and a man from the West. These men were summoned. The man from the West was unable to come but sent his documents down with another man who had been summoned, and he will appear before you to-morrow as representing not only his own views but the views of the men in the West. Since then, Mr. Carmichael has turned up and we propose that he be heard as he is here. But we want it to be distinctly understood that it is not open to every witness who wants to be heard, to be heard. The Committee have to pay the expenses of these witnesses, and it has always been a question whether we should hear any one who has not been summoned. However, we have Mr. Carmichael here this morning and we propose to hear him, on the distinct understanding that it be

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definitely known and published that we only want witnesses here who are summoned by the committee.

Mr. CALDWELL: Where is Mr. Carmichael from?

Mr. GREEN: From Kingston.

THE ACTING CHAIRMAN: Is it your pleasure to accept the recommendation of the sub-Committee?

Some HON. MEMBERS: Carried.

Hon. Mr. BÉLAND: Are you going to hear him?

Mr. GREEN: Yes.

Hon. Mr. BÉLAND: He complains bitterly. He says that he asked to be summoned and that so far he has not been summoned, though he was given to understand by the Prime Minister and by the Prime Minister's secretary that he would be heard. I asked him how long it would take to give his statement, and he said it would take about half an hour.

The ACTING CHAIRMAN: Before you came in, Doctor, the sub-Committee recommended that he be heard, but you will understand that it is a matter entirely in the hands of the sub-Committee as to what witnesses shall be called. The year before last we had a great deal of duplication of evidence, and the Committee decided to appoint a sub-Committee who would issue summonses to those whom they thought should be heard. As Mr. Carmichael is here, the sub-Committee have recommended that he be heard, and we shall be very pleased to hear him.

WILLIAM JOHNSTON CARMICHAEL called, sworn and examined.

By the Acting Chairman:

Q. Where are you from?—A. From the Mowat Sanatorium, Kingston.

Q. You are a patient there?—A. A patient in the Mowat Sanatorium.

Q. And you represent the patients?—A. Yes, I represent the patients.

Q. Then go ahead.—A. Mr. Chairman, the patients of the Mowat Sanatorium present this memorandum to you for your kind consideration. These questions on this agenda have been taken up with the object of helping the tubercular patients of the whole Dominion. We have tried as far as possible to get away from anything that might appear to be local. The questions are for your consideration. If you consider that they are not worth any attention, I suppose we will necessarily, being good soldiers, accept that opinion. The first is the question of pensions. We ask that all chest cases admitted to sanatoria for treatment and diagnosed as positive cases of tuberculosis, shall, on discharge from the sanatoria, be granted a full disability pension for a period of not less than 24 months, and, all cases admitted to sanatoria for treatment but not yet diagnosed as positive cases of tuberculosis shall, on discharge from the sanatoria, be granted not less than 12 months' full disability pension. This in no way to affect any medical examinations which may be considered necessary. The object of that, Mr. Chairman and gentlemen, is to prevent the occurrence of a relapse, to take care of the man after he is discharged. You will know that the men are in two distinct classes. First there is the man who has been diagnosed as a positive tuberculous case. We have found that under the present system a man is discharged from a sanatorium with a six months' pension, and while he may or may not be carried along with that full disability pension for another six months, he realizes that the possibility is that at the end of the six months his pension may be cut, and the financial aspect does not look anything good to him. Consequently, to provide for the future, he goes to work before his condition allows him to do so, with the result that a recurrence of the disability becomes apparent and he is re-admitted as

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a relapse case to the sanatorium, thereby causing further treatment at further expense to the public and at great inconvenience to the man and his family. We believe that if the full disability pension is granted, as we ask here, if he is assured that he will have a full disability pension as a positive tuberculous man, he will not go to work, and will not attempt anything outside of continuing the cure until such time as his condition warrants him to believe that he will not be a relapse case and therefore have to go back to the sanatorium.

By Mr. Douglas:

Q. How is he going to determine that; by medical examination?—A. We are asking that for the man who is already diagnosed as a positive case of tuberculosis. That will be determined by the medical superintendent, I presume, who discharges the man from the sanatorium. We believe that while there may be a certain amount of extra money required to carry out this idea, in the long run the country will be ahead, and that the two years' full disability pension will justify itself in the results that will be gained as regards the man's health. That is the positive tuberculous case. As regards the chest case not yet diagnosed as T.B., it has been forced on us to ask for twelve months' full disability pension on account of so many men being admitted to the sanatorium with various chest disabilities not yet diagnosed as positive tuberculosis. These men are given a certain amount of treatment and are discharged. They proceed to their homes. In some cases the pension is so insignificant that it is absolutely useless. In other cases no pension at all is granted. The man must more or less be in a weakened state. His lungs are in a state far from being normal, and the consequence is that he follows his daily occupation and eventually goes back to the sanatorium and is then diagnosed as a positive case of tuberculosis. We have a case of one man in our sanatorium who was discharged as being non-tuberculous. That man would come under the category of chest cases according to our request here. After some five months' work at home or on the farm that man is re-admitted to the same sanatorium and dies of pulmonary tuberculosis six weeks after the admission. We believe the system was the cause of that man's death. We feel assured that had that man been granted a full disability pension, for which we are asking for the chest cases, he would undoubtedly have been able to continue the cure or the after-treatment at home, as he had learned how to take care of himself in the sanatorium.

By the Acting Chairman:

Q. Did you not say he was supposed not to have tuberculosis?—A. He was discharged as non-tuberculous.

By Mr. Douglas:

Q. What pension did he get?—A. I understand he received nothing.

By the Acting Chairman:

Q. Discharged as non-tuberculous; that is, he was not discharged as an arrested case?—A. No, he was not. I understand he was discharged as non-tuberculous. I can give you the man's name, and as a post-mortem had been held on his body it would be quite easy for any gentleman of the committee or the secretary to verify the facts. The papers distinctly state he was discharged as non-tuberculous.

By Col. Thompson:

Q. Was his name Whalen?—A. Yes.

Col. THOMPSON: I know of the case.

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By Mr. Douglas:

Q. Was the pulmonary trouble attributable to service?—A. Yes, it was definitely established that the trouble was contracted in the service. He was treated in the department as having contracted it in the service and placed on pay and allowance during his treatment, and discharged in the usual way from the sanatorium. As to who is responsible for his death it is not for us to say. We do believe that the system is responsible.

Major BURGESS: I might explain that Whelan case. Whalen was discharged as non-tuberculous. The disease originated subsequent to the discharge. The opinion of the medical board was that the condition of the man was not tuberculous. This tuberculous condition had arisen some months after his discharge. Had his condition been tuberculous he would have been awarded a pension, but as it was stated that his condition was not tuberculous, and that this condition had arisen after his discharge, it was not considered to be attributable to the service. He was subsequently re-admitted and diagnosed as tuberculous, and he has been awarded a pension.

WITNESS: In view of that explanation, the men in the same sanatorium believe that, while we regret that such a thing should ever happen, we believe that this Committee can take care that it does not happen again, and in our suggestions here to you there is provision for just such cases as this, that we ask a full twelve-months disability pension. It has been admitted by medical evidence—it has been admitted throughout the whole country—that if a man is in a state of ill-health, we do not consider the question of how much it is going to cost to get the doctor; we immediately get the best doctor we can. That is when it is one of our own friends. We are of opinion that these men who have given their very best for the country will be considered and we believe that this Committee, when the case of these men is put before you, will consider their pleas and consider their case, and will give them, as the Premier has said, the best that the country can provide.

The ACTING CHAIRMAN: We understand all the sentimental part of it, and you might stick to the facts of these cases.

WITNESS: That is as far as we go with pensions.

By Mr. Green:

Q. I suppose there are quite a number of men taken into these sanatorias who did not have T.B. when taken in there and never had it, but it sometimes turns out on examination that the man is pensionable whether he ever showed signs of it before or not?—A. Yes.

By Mr. Caldwell:

Q. How long was it after this man was discharged as not having tuberculosis before he died from the disease?—A. The exact time would be somewhere around six months.

Q. From the time he was discharged as not having tuberculosis until he was re-admitted?—A. It was five months I understand; six weeks after re-admission he got it, which would make a total of some six months and a half altogether from the time he had been pronounced non-tuberculous.

Col. THOMPSON: And I think it was over a year before he was diagnosed as tuberculous.

By Mr. Caldwell:

Q. The point I want to make is that he was discharged from the sanatorium absolutely free from tuberculosis?—A. Yes.

Q. He died within six months and a half of tuberculosis?—A. Yes.

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Q. The medical examinations are not always accurate, because it is not probable that that man would contract tuberculosis in that time?

Mr. GREEN: He might have quick consumption.

WITNESS: I think, gentlemen, that the question of pensions will be taken care of by you. We are of opinion, which is consistent with medical opinions already expressed, that only one-third of the cure can necessarily be taken in the sanatorium. The remaining two-thirds of the cure must be taken by the patient after leaving the sanatorium in the way of after-treatment. In reference to the after-treatment, a man has learned sufficiently in the sanatorium to take care of himself. If he wants to continue treatment and fall back on what he learned in the sanatorium, so that he may eventually become a permanent cure, that should be open to him, so that he will get away from ever entering the sanatorium again. We ask that he continue the same treatment in the way of taking the treatment, of taking the nourishment the medical men have advised him to take. We also ask that he continue to take the fresh air treatment and the rest necessary. All these things cost money, and we believe that if the pension, as it at present exists, is the full disability pension, that you gentlemen of the Committee will readily see that the tuberculous man has added expense over the other pensioners. He is put to the necessary expense of providing himself with fresh eggs, milk, extra bedding, clothing, extra clothes, sputum cups, gauze, and disinfectants in the home. Quite a lot of things enter into the question of what he must provide after he leaves the sanatorium; that is if he hopes to continue taking the cure and the sanatorium treatment.

The ACTING CHAIRMAN: The witness did not read the clause he is speaking of, which reads as follows—

“We ask that an extra allowance of one dollar per day be made to all men discharged from sanatorium as positive tuberculous cases, to cover the extra expenses in after-treatment and to provide the necessary extras over and above the ordinary living expenses, such as fresh eggs, milk, extra bed clothing, extra under clothing, sputum cups, gauze, disinfectants, etc.”

WITNESS: The reason we ask that is that we realize that these things must be provided if a patient is to have a chance at all after he is discharged from the sanatorium, and I do not think comment is necessary. I believe you will see the justice of the request.

The ACTING CHAIRMAN: Now the next clause is “Pension Board.”

“We ask that at least one member of the Board of Pension Commissioners at Ottawa shall be a specialist of tuberculosis so that Board papers of patients discharged from sanatorium will be dealt with in a more comprehensive manner than the present system permits.”

What does that mean?

WITNESS: On the Board of Pension Commissioners at Ottawa. That request has been brought forward generally by the men who claim that the Board of Pension Commissioners, as they understood, were there to administer the Pension Act. The Board of Pension Commissioners very often tell us in their communications that while they would be willing to give this, that and the other their consideration, and all the rest of it, at the same time they are there to simply administer the Act, and they must carry out the Act.

By the Acting Chairman:

Q. You appreciate that is absolutely true, they are there to administer the Act; this Committee recommends, but they have no executive authority?—A. We appreciate that the Board administers it, and that they do so to the very best of their ability, but, nevertheless, we, as pensioners, are in the unfortunate position of having these men who

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are administering the Act, able to cut the recommendations of the tuberculosis specialist, who has recommended that a certain amount of rest is necessary. The Pension Commissioners, by the power of the Act, I presume, are able to say on the face of the evidence presented, which is written evidence—we do not see the patient, we do not want to see him, but we know we have the authority to say that because this medical board recommends 50 per cent disability, we believe that 25 per cent is enough. While we admire our Board of Pension Commissioners, we believe they are just and upright men. At the same time we do not believe they know anything about tuberculosis, therefore we ask that one of our Commissioners should be a specialist on tuberculosis.

Q. You will allow me to explain that while the Pension Board themselves may not be specialists on tuberculosis, they have a medical specialist belonging to the Board who advises them.—A. Yes, Mr. Chairman, that has been made very very plain to the average pensioner; nevertheless he is of the opinion that when that board of consultants come together and diagnose his case and submit their recommendations, the fact still remains that the Pension Commissioners, having the authority, know that they can do as they please with the recommendations and we feel that by asking for a tuberculosis specialist on the Pension Commission, we are only having representation to which we are really entitled.

Major BURGESS: That, more or less, brings up the discussion we had last week. As you have stated, we have a tuberculosis specialist at the Board at Ottawa who examines all these cases and the recommendation of the expert is not disagreed with; if the expert says that the man requires total rest and he is awarded 100 per cent we do not say "No, we do not think he requires that." That attitude is never taken. We do not say that he doesn't require that. Where the pension is cut down, as I said the other day, it is where it is purely not attributable to service. Even where the case is aggravated, where only after a few months' service, the man is found to be tuberculous he actually gets full pension.

By the Acting Chairman:

Q. We do not want to delay the witness, because time is passing rapidly?—A. I am trying to get on as quickly as I can.

Q. The next item is that of "Children's Insurance." That is actually the same clause as the Hamilton man brought up a few moments ago, that the existing Soldiers' Insurance Act be extended to include the soldiers of tuberculous soldiers. That is exactly the same clause, and we have to consider that later when we take up that question. Now we will pass on to "Housing."

"While the Colony Scheme as outlined by Hamilton branch is endorsed by this branch, we realize that all tuberculous soldiers will not be provided for under this plan, therefore, we ask that a loan of from three to four thousand dollars be granted for the purpose of building a sanitary home to live in; this loan to be free from interest and taxation for a period of two years."

A. That is the result generally of the discussion affecting the men that live in the sanatorium. Under the present scheme of land settlement the tuberculous man is entitled to nothing on his discharge, he cannot go on the land, but must necessarily go to the city to live in, and unfortunately the city is not provided with very sanitary homes, and he realizes that if he does not live under the very best sanitary conditions he is going to be back again in the sanatorium. He immediately gets busy with the idea of finding somewhere to crawl into at night time. He knows he has no hope of ever having a home of his own; the best he can hope for is to have some dugout, rented at an exorbitant price for some profiteering landlord, and the result is he lives in such dugout until such time as the D. S. C. R. comes in and takes him back into the sanatorium. We ask that a loan be granted him for the purpose of building a sanitary home.

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I think the Committee has fully grasped that point. Now here is another "Clothing in Sanatoria."

"We ask that the entire system of providing clothing for patients in sanatoria be revised, and handled entirely by the Government, instead of on the charitable basis now existing."

A. At the present time a man enters a sanatorium, and the only thing that the Government issues to him is a sheep-lined coat, to take care of the man while sleeping in the open in his chair. Should he be unfortunate enough not to have a suit of underwear, or a pair of heavy socks to sleep in, or anything else he needs he must necessarily provide it from that seven dollars that is provided for clothing. We do not believe that the man should be put to that added expense out of his allowance for his underclothing, or anything necessary for his treatment in the sanatorium. When a man makes enquiry as to where these things may be obtained, he is told he can get them from the Red Cross or the Soldiers' Comforts. Now on going into the thing fully we find that the Soldiers' Comforts and Red Cross, are, after all, charity, and the men who have come back in disabled health do not want charity. We ask you, please, to take away anything in the way of a charitable basis, and to make it so that he can get anything he wants in the way of clothing. We do not want charity. We believe we are a liability on the Government. We are sorry that we are, but unfortunately it is so, and we do not want anything to be on a charitable basis, such as that under which clothing is issued at the present time. We ask this Committee to consider some sensible clothing scheme to be put in force as soon as possible.

Q. We will come back to the "Climatic Treatment" again, that is a question we have considered every year, and I would ask you to take up the laundry question.—A. Then you do not want to consider the Climatic question.

Q. We have considered it, and if you have time after disposing of the Laundry question we will come back to it.—A. I will take the hint, and if I can cut this short we will come back to that.

Q. That is right, we want to take up the question of Laundry—you understand that we have had that clause with reference to Climatic Treatment before us time and again.

"We ask that the order affecting the personal laundry of patients in sanatoria, be repealed, in view of the danger to public health by sending tuberculous patients' laundry to public laundries, and would suggest that an institutional laundry be established in every D. S. C. R. sanatorium, where the personal laundry of patients will be done free of charge."

A. That has been brought about by a small uprising in the Mowat Sanatorium when the official notification came there that, in future, personal laundry would not be done at the Government expense. Why it was ever started we do not know. We appreciated that we could have our laundry done. We realized that the institutional laundry had to be done, such as bed-linen and other things, and we did not consider that it was stretching any great point to have the men's personal laundry sent to the same laundry, thereby enabling them to keep themselves clean instead of probably going two or three weeks with the same underwear. The man who is unable through disability to get out, must necessarily get his friends to take his laundry to a Chinaman or somewhere else until such time as he is able to get out.

Q. Do I understand you to say that your laundry is treated as private laundry, and that you send it out wherever you wish to send it, and that it is not treated as public laundry, is not washed or laundered in the sanatorium?—A. Yes.

Q. It is sent out to a private laundry? One sends it out wherever he likes. Is that the idea?—A. The laundry is sent out so far as the Mowat institution is concerned, to one public laundry, the institutional laundry and the personal laundry. Some two

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or three weeks ago we had an official intimation that no more personal laundry would be done by the Department. Therefore, when considering the question of laundry we decided to ask you to consider the advisability of establishing a laundry in the sanatorium under the jurisdiction of the D.S.C.R.

Q. In connection with the sanatorium?—A. In connection with the sanatorium.

By Mr. Caldwell:

Q. Do I understand you to say that all the laundry is sent outside and that there is no laundry in the sanatorium?—A. No laundry. It is sent out and being tuberculous laundry it necessarily means that if it is sent to where Mrs. Jones gets her laundry done and Mrs. Jones takes T.B. you cannot blame us fellows. So we ask that a laundry be built in every sanatorium to take care of this deplorable state of affairs. It is in the interests of public health as well as in the interest of the men themselves. Of course, we further ask that all personal laundry be done in the institution.

By Mr. Douglas:

Q. At the present time do you pay for your own personal laundry?—A. At present we pay for it besides having the added discomfort of taking it to the town, trusting to your chum to bring it back. The man laid up in the infirmary must necessarily depend on someone else.

Mr. ARNOLD: I told Mr. Carmichael yesterday that this laundry matter had been fixed up and I assured him that it was satisfactory to the other representatives of the Invalided Tubercular Soldiers' Leagues.

Mr. CALDWELL: In what way has it been fixed up?

Mr. ARNOLD: We are doing all the personal laundry except collars.

Mr. CALDWELL: Mr. Carmichael's contention is different. He says that the sanatorium laundry should not be sent out to a public laundry.

Dr. ARNOLD: That is a question for the public health authorities, and the public health authorities are quite well satisfied with it.

Mr. PARKINSON: There has never been any question about it. We sent out laundry to the laundries but it was sterilized before it was washed.

The ACTING CHAIRMAN: Anyway, that is a question for the Committee to consider.

Mr. PARKINSON: In connection with the matter of clothing, last year your Committee recommended—

The ACTING CHAIRMAN: I remember distinctly.

Mr. PARKINSON: I may point out that apart from the clothing allowance we also issue as a department issue in the sanatoria such things as pyjamas, pneumonia jackets and bed-socks. These are apart from the clothing that may be purchased on the \$7 a month allowance. They are provided through the Soldiers' Comforts Branch.

WITNESS: I cannot allow the deputy minister to mislead this committee regarding these clothing issues. I fully recognize that the deputy minister is here to assist you to the best of his ability, and I am here to assist you. His statement is entirely erroneous. Such a thing as a pneumonia jacket is unknown. I may say that being in very humble circumstances myself when I entered the Mowat sanatorium I did not possess even a sweater. The weather was very cold and until some of my friends floated a loan to get me a sweater I had to go without either a pneumonia jacket or a sweater. There were none in the store. We communicated with Mrs. Van-koughnet, who is president of the Soldiers' Comforts of the D.S.C.R.—that is her official status according to their note paper—and she came and informed us personally that while she loved all the boys and was willing to do anything she could

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—and she has done a lot—and while she could get us a piano for the sitting-room, draughts and checkers and nice easy chairs for sitting on, she was very sorry that the question of clothes could not be taken up because after all clothing was a Government question. So you will see that if we had to depend, as the deputy minister says, on the Soldiers' Comforts, we are depending on charity, and we ask you to please take away the charity and give us what we are entitled to.

Q. The Soldiers' Comforts is I understand a branch of your department, Mr. Parkinson?

Mr. PARKINSON: Yes.

The ACTING CHAIRMAN: Then they are not more charity than the other things?

Mr. PARKINSON: Not a bit.

WITNESS: Then I would ask if we could have a copy of what they are going to do to see if they are ever going to issue soup. At present we get nothing. Regarding the next item we ask that patients in sanatoria be paid the full amount of their credit monthly, and that all patients on discharge from sanatoria be kept on the strength of the D.S.C.R. with pay and allowances and subsistence for a period of two months in order to provide time for the adjustment of their pensions by the Board of Pension Commissioners. At present a man is allowed so much, and so much is paid back, and it is quite a joke among the men that although so much is kept back, he is always told to put in a request for advance pay. If the money is kept back for the purpose of giving him a credit when he leaves a sanatorium, it fails miserably. So far as the men are concerned, I have yet to find the soldier who has a nice balance to his credit when he leaves the institution.

The ACTING CHAIRMAN: The position is simply this: During the first two or three years that this committee sat we had people from Vancouver to Halifax representing the same thing over and over again. You understand it is all right to bring these things before the committee this morning. The committee will sit and consider them just as carefully as if a dozen people came before them and represented the same thing over and over again.

WITNESS: I quite understand that.

The ACTING CHAIRMAN: That is why we do not want to have a repetition. That is why the sub-committee was appointed. You have brought new things before the committee, and I am sure I am speaking for the members when I say that they fully grasp the seriousness of the situation so far as tuberculous patients are concerned. We want to get at some basis of dealing with tuberculous patients. We have always wanted to do so, and the more information we get the more we are obliged to those who give it to us.

WITNESS: Thank you. Just one more item, regarding the pay and allowance. We are asking that the full amount of a man's credit be paid him monthly.

By the Acting Chairman:

Q. In place of part of it being held back?—A. Yes. The other clause is that all the patients on discharge from the sanatorium shall be kept on the strength of the D.S.C.R. with pay and allowances and subsistence for a period of two months in order to provide time for the adjustment of their pensions by the Board of Pension Commissioners. On being discharged from the sanatorium, the average man goes home and while his wife may be a very thrifty Scotch woman she has not been able to put anything near \$1,000 in the bank. The consequence is that when his pay and allowance are stopped on his discharge he is left in a position of living on love until the Pension Board come through with his pension which may be anywhere from two to four months, and in some cases longer. We do not blame the Pension Board. We believe they are very, very patient. We hope they will speed up a little bit; but, at the same time,

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we do not want the tuberculous man to have a relapse of his condition and be back into the sanatorium before the Pension Board has been able to save his life. Therefore we ask you that patients on discharge from the sanatorium shall be kept on the strength with pay and allowances and subsistence, which is practically equivalent to the full disability. He will not be getting ahead of anything. The Pension Board will take care of that. But we ask that he be kept on pay and allowance until his pension cheque is adjusted. Outside of that we do not want anything.

There is one item the Chairman asked me to omit.

The Acting CHAIRMAN: That was the item with reference to climatic treatment, and we have had that dealt with so frequently that I feel we can dispense with it.

WITNESS: There are roughly ten thousand either pensioners or patients, who are tuberculous.

The Committee adjourned until 11 o'clock to-morrow.

COMMITTEE ROOM 435,

HOUSE OF COMMONS,

THURSDAY, March 31, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other members present: Messrs. Arthurs, Béland, Brien, Cooper, Douglas (Strathcona), Edwards, Green, McGregor, MacNutt, Redman, Ross, Savard, and Turgeon,—14.

The CLERK: I have here a resolution from Mr. Robert A. McIntyre, Veterans of France, Victoria.

The CHAIRMAN: This resolution is from the Veterans of France, Victoria, requesting that relief be extended for a period of one month further. I saw something in this morning's paper, I think, about action in that respect having already been taken by the Government. I am not sure that this is a matter with which this Committee has to deal at all. It will come up in due course when we consider the question of re-establishment.

The CLERK: I have also a letter from Major Topp relating to the subject of insurance, and a resolution in that connection.

The CHAIRMAN: This is a communication from Major Topp pointing out that a resolution had been passed at a meeting held at Red Deer, Alberta, asking this Committee to extend the privileges of the Insurance Act to the veterans of former wars. I think that this should be referred to this Committee when we come to consider our findings on the question of insurance.

The CLERK: There are also resolutions from the Grand Army of United Veterans, J. F. Marsh, Dominion secretary, relating to insurance. These are suggestions which that soldiers' organization submits to the Committee.

The CHAIRMAN: These suggestions, all save one, have already been considered by us, being fully in line with those submitted by the G.W.V.A. They also will come before us when the Insurance Act is further considered. Now, to-day we are to hear from Mr. J. R. Pyper on the question of tuberculous patients in the sanatoria

APPENDIX No. 2

J. R. PYPER called, sworn and examined.

The CHAIRMAN: Mr. Pyper explains that a good many of the recommendations which he has submitted to the Committee in writing and of which, I think, some copies are available, repeat to a certain extent the recommendations already brought before the Committee at the meeting of yesterday. He requests, however, the privilege to go into each of them very shortly because he has certain evidence which he would like to bring before the Committee in support of these various recommendations. That is a matter for the Committee to determine.

Some hon. MEMBERS: Carried.

By the Chairman:

Q. The first recommendation is:

"That, as it is the opinion of recognized experts in tuberculosis that the needs of a pensioner totally disabled from tuberculosis are greater than those of a man totally disabled from other causes, an allowance of \$30 per month be granted to tuberculous pensioners in addition to the ordinary total disability pension and that such total disability pensions and allowance be continued for a period of at least two years after the patient's discharge from the sanatorium. It is desired to submit evidence that the recommendations of the Parliamentary Committee last year fell short of the actual needs of this class of pensioner."

You will see that that is very much a repetition of what came up yesterday. Now Mr. Pyper what have you to say about it?—A. I would like to remind the committee that last year they had before them Dr. Elliott, one of the foremost experts in tuberculosis in Canada, and it was Dr. Elliott's opinion, as expressed to the committee while he was here, that total disability pensioners from tuberculosis required a higher standard of living than total disability pensioners from any other cause. The Board of Consultants appointed by the D.S.C.R. to tour the sanatoria in the Dominion of Canada, on page 7 of the summary of their report, state the following in regard to relapse cases. Under the heading "Relapses" they state:—

"12.8 per cent of the 1,376 cases now under treatment are relapse cases."

I believe that these figures represent the conditions as at April of last year, almost a year ago, and I would like to bring before the committee actual figures taken at St. Agathe Sanatorium showing the average number of relapse cases at the present date. There are almost 35 per cent of the cases undergoing treatment at St. Agathe Sanatorium which are cases of re-admission, or relapse cases, so that you will see that the percentage of increase is rather alarming.

By Mr. Edwards:

Q. Do you mean that these cases were dismissed as cured?—A. With one or two possible exceptions. There are cases where men have been dismissed for misconduct, and in the 35 per cent figure these cases are included. But there are not more than four or five now in the sanatorium. You see, however, that the increase is very considerable, from 12.8 to 35 per cent, and it goes to prove that if these cases are discharged as apparently arrested, there is all the more likelihood of a break-down if the man is not able to maintain the high standard of living to which he has been accustomed in the sanatorium.

By Hon. Mr. Béland:

Q. Is there only one class of discharged patients?—A. No, Sir.

Q. What are they?—A. Some cases are discharged because nothing more can be done for them. These never come back.

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Q. Nothing can be done for them?—A. Nothing more can be done.

Q. How are they designated?—A. As incurable, I should think. Nothing more can be done for them. It usually happens that the man's family would rather have him at home to look after him until he dies.

Q. What is the next class?—A. There is another class of men who probably reasonably refuse treatment. That is a class that is not doing well in the sanatorium, and, on the advice of the medical superintendent, perhaps the man is sent home for an indefinite period to be with his own family to see if the change of surroundings will have a beneficial effect on his health.

Q. Are these what they call arrested cases?—A. No, sir, these are not arrested cases. They are cases which are not progressing favourably under sanatorium treatment and a change of environment is ordered to see if it will be beneficial.

Q. These are two classes; are there any others?—A. One is the "apparently arrested" class, that is the case where the chest is apparently cleared up, and the man's lungs have apparently healed. Then there is the "arrested" case. This class of case has shown no active trouble in the lungs for two or three years perhaps. Some experts say that a period of five years must elapse before the man can be classed as an arrested case. During those four or five years his lungs have shown no sign of activity.

Q. There is a class discharged which is considered cured?—A. That is an "arrested" case, but there are very few of those cases because when a man becomes in an apparently "arrested" condition he is usually discharged. There is no further benefit to come to him from sanatorium treatment.

Q. And patients in all those classes are pensioned for at least six months?—A. No, not all of them.

Q. What class is not pensioned?—A. It depends whether his case has been aggravated or not by service. If a man acquired his disability on service he gets a total disability pension for six months. If he is adjudged to have had his condition aggravated only by service, he generally gets a pension at the rate of ninety per cent. If his condition is adjudged not to have been affected at all by service, but if he were passed into the army, and it was found in a short period that he was suffering from tuberculosis, which had not, however, been aggravated by service, he is merely treated for a certain length of time, sent out with no pension, or a very small percentage of pension.

Q. For what class would you require the thirty dollars a month increase?—A. For all classes.

By the Chairman:

Q. You mention four classes, incurable, non-progressive, apparently arrested, and arrested?—A. And those discharged for misconduct.

Q. Do you base your proportion on the total of those five classes—your proportion of thirty-five per cent relapses, or on certain separate cases?—A. Most of the relapsed cases were discharged apparently arrested. I have no access to the sanatorium papers of course, and therefore I do not know what percentage of the relapsed cases were discharged as non-progressive.

Q. How do you get your percentage? Where do you get it from?—A. I ask the men themselves. The sanatorium records are not very clear in that respect, nor reliable, and each man was asked by certain members of the committee the full particulars as to his sanatorium treatment, and the figures were compiled from the information taken direct from the men.

Q. Over what period of time did this enquiry go?—A. Just prior to my coming here.

[Mr. J. R. Piper.]

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By Hon. Mr. Béland:

Q. Would you recommend that after six months, in the case of an "arrested" patient, if it is reported that he is cured, that thirty dollars a month be paid as an increase still for two years?—A. No, sir, but the percentage of "arrested" cases is almost negligible; in fact I go the length of saying this: that not two per cent of the cases discharged from sanatoria are arrested cases; in almost every case the man is discharged in an "apparently arrested" condition, which is a vastly different thing from an "arrested" condition.

By Mr. Edwards:

Q. Forty-nine per cent of your relapsed cases are attributed to insufficient treatment?—A. That is the figure of the board of consultants.

Q. But many of those cases of insufficient treatment are due to patients' unwillingness to remain. What percentage of that forty-nine per cent is due to causes other than the patient's unwillingness to remain?—A. I have no access to the documents of the sanatoria, and I do not know what percentage of the cases are sent out because they are not progressive, but I talked this matter over with Dr. Byers, the medical examiner of Ste. Agathe, and I asked him whether he was aware of the percentage of relapsed cases in the sanatoria, and he said "No," and I told him it was about thirty-five per cent. He asked me what classes of patients I had included, and I told him I had "apparently arrested" cases, one or two men who had refused treatment who were sent out and brought back, and he referred to the cases I had mentioned, those cases that were not progressive, and, according to medical advice, are sent out to see if a change of environment would have a beneficial effect upon them. I said "Do you think I am entitled to take those as re-admission cases"? and he said, "Certainly, if a man goes out on the advice of the medical men, I consider you are entitled to show him as a re-admission case if he comes back. After he comes back he may again benefit from the change."

Q. You ask for increased compensation from the Government of all these cases? This report only mentions four per cent and gives the total of 7,550 relapse cases, as being due to insufficient monetary compensation from the Government.—A. I think these figures should be accepted with reserve. They are compiled from sanatorium records that are not very accurate in every case, and the board of consultants themselves, I am sure, will not want to pin themselves down to these figures as being actually correct and accurate figures.

By Mr. MacNeil:

Q. What period do these statistics apply to?—A. I understand they are compiled as from April of last year. The tour extended from April to August, if I remember rightly. I think they took the figures in each case as nearly as possible from April.

By the Chairman:

Q. Have you anything more to say in regard to No. 1?—A. Of course, there is the old argument advanced last year that it was less expensive to give a man a higher pension than to take him back for further treatment. The approximate cost of keeping a man in a sanatorium to-day is about \$5 a day, and I suppose his total pension would amount to much less than that. If he can do well outside with a pension large enough to meet the needs, it is a saving of that amount. If you care, Sir, I have several cases of re-admission which I can clearly place to insufficient pensions, which I will cite to you if you wish.

Q. If you care to mention the percentage of cases which you think are directly attributable to that fact, you might do so.—A. I have not the figures for that. I just have one or two cases I can put before you.

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Q. Unless some member of the Committee wishes to hear this, I doubt if it would help very much in considering the question. Then No. 2 reads:

"That the Department of Soldiers' Civil Re-establishment shall pay monthly to the man, upon his discharge from sanatorium, the pay and allowances of a Class 1 out-patient, until such time as that department is advised by the Board of Pension Commissioners that pension has become operative."

That question was brought up yesterday, I think.—A. That clause was designed to take care of the delays in the granting of pensions by the Board of Pension Commissioners. It is just the old story of a man requiring the greatest care upon his discharge from the sanatorium, and instead of being provided with funds for his family and dependents and his own maintenance, being subjected to worry and inconvenience by the lack of funds. In some cases a pension has been delayed three months, in some cases four months, and in one or two isolated cases six months.

By Mr. Green:

Q. You mean six months of an interim between the cessation of pay and allowance and the authorizing of pension?—A. Between the man's discharge from a sanatorium, and the date at which the first pension was received, and in regard to some of those cases I will say this: That they were perhaps not what you might call "straight" cases. There may have been a slight doubt as to the man's eligibility for pension.

By Mr. Douglas:

Q. In the case of a delay like that was the amount computed from the time he was discharged?—A. Yes, he gets it from that time.

Q. But in the meantime?—A. In the meantime he has nothing with which to carry on, and that is one of the very critical periods of a man's life because he is trying to get back to normal life or trying to get away from sanatorium conditions and get used to his own home, and he cannot very well do it.

By Mr. Redman:

Q. Does this proposal No. 2 cost the country any money?—A. No, it would not cost the country any money; it is merely a question of accounting between the D.S.C.R. and the Pension Board.

Hon. Mr. BÉLAND: It seems very reasonable.

By the Chairman:

Q. And you have a number of cases arising in the Ste. Agathe Sanatorium?—A. I would like to say that I talked this question of delays over with the Secretary of the Pension Board in November last and he told me then that he had been in receipt of complaints from nearly every sanatorium in Canada about the delay in the payment of pensions. He stated that so far as he could see the system at the Pension offices, in theory, was perfect, but owing to the size of the organization it might be that the system was somewhat unwieldy and those delays would occur. But he said there was no reason at all why a man should have to wait three months or over for his pension. I promised to submit to him a number of cases, which I did on the 9th November. Mr. Ahern acknowledged those cases and stated they would receive full investigation.

Hon. Mr. BÉLAND: This proposal seems pretty clear, Mr. Chairman. There is no loss to the country; it is only a matter of adjustment between the two departments.

Mr. PARKINSON: It would be a small expenditure, but very small. There would be a few cases who would be paid for two or three months in that way who would not really be entitled to pension later, but it would be so small as not to be worth consideration; probably two or three cases a year.

[Mr. J. R. Pyper.]

APPENDIX No. 2

THE CHAIRMAN: We may hear later from the Pension Board what suggestion they would make to overcome that difficulty. We will go on to No. 3:—

“That, where there is any doubt as to the nature of a man’s disability or as to the date and origin thereof, the opinion of a recognized Board of Experts be obtained, such opinion to be accepted in all cases in preference to that of the medical advisers of the Board of Pension Commissioners in Ottawa.”

HON. MR. BÉLAND: That is pretty clear, but we should have some explanation as to the constitution of this Board of Experts and its maintenance. Does Mr. Pyper refer there to a permanent board?

WITNESS: It may be rather difficult to nominate a board of specialists, owing to the shortage of specialists. So far as the men are concerned they do not care who composes the board so long as they are recognized specialists. It would have to be a board of recognized specialists in any district in Canada. It may not be a permanent board. But we recognize in this a very serious point. There have been cases where men have actually been refused pensions, first on the ground that they have no pensionable disability, and secondly on the ground that they contracted disability after they were discharged from the service. In the meantime, the sanatorium doctor has some little say on that, but those who are supreme are the medical advisers to the Pension Board in Ottawa. Now, the men feel that where there is any doubt, where they have been refused pensions, and they are exercising their right to appeal, their cases should be gone into thoroughly by a recognized Board of Experts. From the decision of the experts, of course, there would be no appeals because it is recognized that their decision must be final. No one knows better than they.

By Hon. Mr. Béland:

Q. Would you be in a position to say that there are many cases that claim to have reason to complain?—A. Yes, Sir, there are, but not a great many.

Q. How many?—A. I would like to cite one or two cases—perhaps one case would be sufficient. I had a case of a man by the name of Agnew who was admitted to Laurentide Sanatorium on October 1, 1919, and treated for pulmonary tuberculosis. He was discharged on April 17, 1920, with his disease in an apparently arrested condition. This man was having some difficulty in getting his pension and he wrote to the Montreal office of the Pension Board on the 15th June, 1920 regarding the non-payment of his pension and was advised by that office on June 17th that his pension cheque would be sent at the end of that month. On July 12th, almost a month later, he received an intimation that it had been decided not to recommend him for pension the reason being that “our Board states that you have no pensionable disability.” Now, that is clearly a difference of opinion between the Montreal and Ottawa offices. Subsequent correspondence between the Soldiers’ Welfare League at Ste. Agathe and the Montreal District Office brought out the information that the letter from the Montreal office telling Mr. Agnew that his pension cheque would be sent him was written in error, his case not having been definitely settled by the Medical Advisors of the Board of Pension Commissioners at Ottawa. Mr. Agnew exercised his right to appeal, and when Dr. Byers came back from his tour, Mr. Agnew was examined and a report was sent to the Board of Pension Commissioners. His pension finally came through in October.

Q. He was repensioned?—A. He had not been pensioned since 17th April, upon his discharge.

Q. His case was righted?—A. Yes, it was righted in October.

Q. There was no special Board?—A. The sanatorium expert in this case apparently decided it to the satisfaction of the Board of Pension Commissioners here.

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Q. Could that not apply to all other cases?—A. That would be giving too much power to one doctor. They feel that it is placing too much power in one man's hands and naturally would be better satisfied that the men would receive fuller consideration if the Board of Experts agreed on the man's condition.

Mr. EDWARDS: I would like to mention a case which was brought to my attention which is just in line with this very section. It is that of a man by the name of Dr. Fee who went overseas and was at Salisbury Plain at the time it was under mud and water. He contracted cold after cold, and finally the doctors in England ordered him to Canada. He was in a Sanatorium here for awhile. He was well acquainted with the doctors in Kingston, having taken his degree there and was examined by about four or five of them—Dr. W. T. Connell, Dr. Milks, and Dr. Boys, all well-known practitioners, and they all agreed that he was a tubercular case. He received a pension for a time and then was brought down to Ottawa, before the Board of Doctors here. They said there was nothing wrong with him—it was just a case of bronchitis. His pension was cut off. Some of the doctors in Kingston who had examined him took the matter up with me, and I took it up with the Board here. I said, "Here there is a conflict of opinion between men who are well-recognized in their profession, both these men in Ottawa and the men in Kingston, to say nothing of the men overseas," and I suggested in this case that the man go before a Board of Experts or an expert doctor. As a result he was sent down to Montreal to be examined by, I think, a Dr. Lefleur, a man who is recognized as a lung expert, with the result that Dr. Lefleur confirmed the opinion of the doctors in Kingston. The pension of the man was restored. Now I have every respect, especially as a medical man, though not having engaged in practice for many years, for the opinion of men who have had perhaps many years' experience as medical practitioners, but I am convinced that in these tubercular cases, especially when they have not the positive diagnosis in obtaining the tubercle bacillus, it does require a lung expert to make certain to their case.

Major BURGESS: May I state the way those cases are handled? Mr. Pyper's point. I presume, refers to those cases where there is a difference of opinion as to the origin of the disease, as to whether it was incurred on service, or prior to service, or subsequent to discharge. There are a great many cases which are discharged as fit but which later develop tuberculosis. If the signs and symptoms of tuberculosis appear within a year of discharge, provided that the length of service was not of very short duration, it is considered that the disease was attributable to service. If the signs and symptoms appear after a year, the case is not necessarily thrown out, but the findings are required to show what the origin of the disease was. I think I am not wrong in stating that practically all cases are examined by a chest specialist at the present moment. I do not know of any case that come before us that has not been examined by a chest expert. The opinion of that specialist is taken. If it develops that the specialist has not been fully acquainted with the facts and that if he were acquainted with the facts he might change his opinion, the facts are communicated to him. If there is still a difference of opinion, these cases are then subjected to a referee, to a third party. I mean to say that the cases are not dealt with merely on the "say-so" of the Board here in Ottawa.

By Mr. Edwards:

Q. Would he be a recognized lung expert?

Major BURGESS: Yes sir, he would be. In many cases we have asked Dr. Byers of Montreal to act.

Q. You agree that he should be a recognized lung expert?

Major BURGESS: That is the principle, sir.

The CHAIRMAN: You have on the Board a specialist in tuberculosis?

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Major BURGESS: Yes sir.

The CHAIRMAN: You call him a chest expert?—A. Yes sir.

The CHAIRMAN: Is that the same thing?

Major BURGESS: Yes, he is a specialist on tuberculosis.

The CHAIRMAN: What is his name?

Major BURGESS: Dr. Rawlings.

Mr. DOUGLAS: Does that specialist invariably investigate these personal cases or does he simply look at the papers?

MAJOR BURGESS: The practice is to take the recommendation of the specialist who has examined that man in the sanatorium, or in the field, wherever he may be. We take that specialist's word. But if on going over the documents we find that his opinion is not consistent with the facts as they appear, the case is taken up with him. It is not thrown out holus bolus.

Mr. DOUGLAS: So that the chest specialist does not necessarily see the patient at all?

Major BURGESS: No.

WITNESS: There is something further that I would like to say in connection with the Agnew case.

Major BURGESS: May I have the name and number of that case?

WITNESS: It is number 841961, Private W. Agnew, 13th Battalion. When the Board of Consultants were at St. Agathe I reported this case, as they were hearing complaints from the men, I pointed out that this man was rather in need of money, for the upkeep of his wife and family because his wife was about to be confined, and he had been worrying greatly on that account. I also told them that he had been compelled to work a full day's work, and the man's condition was steadily going back, and that I would be much surprised if he was not back in the sanatorium in the near future. Agnew was re-admitted to the sanatorium in November of the same year that he was discharged, and he is still undergoing treatment.

By the Chairman:

Q. I think that Agnew's case was one in which there was great delay in obtaining the pension.—A. There was for the reason that there had been a difference of opinion as to whether he had a pensionable disability or not. I presume the question was fully gone into at Ottawa, where it was decided by the experts on the Pension Board that he had not a pensionable disability. But on the report of Dr. Byers he was granted a pension, which goes to prove, I submit, that the sanatorium expert's opinion should be taken before the opinion of doctors here who never saw the case.

By Mr. MacNeil:

Q. Have there been many cases where pensions have been refused on the recommendation of practitioners who were not experts?—A. Pensions have been awarded on findings of doctors who are not chest specialists, but I would like to go into that point in connection with a subsequent recommendation—No. 4. There is a case which I am putting before the Board of Pension Commissioners. I am appealing on behalf of a man named Cornish who has been refused a pension because it is said that he has no pensionable disability. This case has not yet been settled. He has not yet been awarded a pension, but I am almost sure that when all the facts are brought home to the Commissioners it will be seen that justice has not been done to that man.

MAJOR BURGESS: What is Cornish's number?

[Mr. J. R. Pyper.]

WITNESS: I have not it here, but I spoke to Colonel Davis on the subject last night. There is another aspect of his case which is very serious in view of the number of patients in the sanatorium at present who have been admitted suffering from tuberculosis one year or upwards after their discharge from the army. I think it is generally admitted that the Board of Demobilization was rather—well, it was not really a medical board at all. The man merely passed through, and was asked how he was feeling, and he was so anxious to get back to civil life that he probably said he was feeling all right.

COLONEL THOMPSON: That does not apply until the 17th February, 1919, for the men up to that time were examined by a medical board in Ottawa.

WITNESS: Probably that would not affect these cases anyway, because, all these cases which were admitted to a sanatorium two years after discharge would probably be covered by what Col. Thompson says. They had not been properly examined. But the point is that about forty or fifty men at present undergoing treatment in St. Agathe Sanatorium were admitted over a year after their discharge from the army, and it is very important that these men's cases should be gone into by a specialist and his opinion obtained as to whether they contracted their disability during service or after discharge from the army. It means too much to those men to have their cases in the hands of men who are not experts in the disease. I might go further and say that it is a matter of life and death, because if they are not pensioned they are going to work and will break down and die. If they are pensioned they will at least have a chance.

MAJOR BURGESS: I think the Board of Pension Commissioners quite appreciate that point. What I desire to make very plain is that these cases will be discussed by the specialist, and are being discussed at the present moment. Has the witness any knowledge of whether these cases have been thrown out, or of whether there has been no specialist's report or examination?

WITNESS: I have a case here where it was decided that the man contracted his disability after service and he was flatly refused a pension. Brigadier-General Draper made three personal visits to the Board of Pension Commissioners on behalf of this man, and finally he was granted a pension. I discussed the case with the specialist, and he was of opinion that the man contracted, or at least had his disease very much aggravated by service. That man was discharged in the early part of 1916, and he was not admitted to the sanatorium until January, 1919, almost three years afterwards.

Major BURGESS: These cases, of course, are very much the exception, and no doubt when a pension was awarded there was very much more evidence brought forward than was originally on file. But I think it would be admitted, that it is most unreasonable in a case where three years have elapsed to come to the conclusion that the disease is due to service without an investigation being held.

WITNESS: Presumably the case was gone into before a decision was finally arrived at. The fact remains that these 45 or 50 men in the sanatorium are liable to receive the same treatment if their cases are not judged by a specialist.

By the Chairman:

Q. I quite see your point. You want to have their interests safeguarded in the future?—A. It is more for the protection of the men who are coming out from the sanatorium in future.

Q. No. 4 reads—

That steps be taken to enforce the recommendation of the Parliamentary Committee on page 861 of last year's report, viz.: "That all cases receive a careful examination every six months by specialists in the service of the Board of Pension Commissioners."

[Mr. J. R. Pyper.]

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That appears to me to be a new point. What have you to say to that?—A. Apparently we are in the unfortunate position in the Montreal district of being short of specialists in chest cases, and therefore examinations must necessarily be conducted by the best chest men they can get. These chest men we consider are not experts in tuberculosis, and I would like to cite to you a case where a man was examined at the end of six months after his discharge from the sanatorium by one doctor who was not a chest specialist, and I would like to show the committee that his pension was cut from one hundred to fifty per cent. Recently Dr. Robertson, from the Service of the Board of Pension Commissioners at Montreal visited Ste. Agathe, and examined, to my knowledge, at least eight tuberculous patients, Dr. Robertson alone constituting the board. He had previously examined a man, Private Garvin, 1866. Garvin was notified by the Board of Pension Commissioners that his pension would be reduced, from 1st November, 1920, from one hundred per cent to fifty per cent. That is a very drastic cut in pensions. It is not a usual thing for the pension commissioners to do, I will admit, but it throws a man on the labour market and places him in an unfortunate position.

By Mr. Douglas:

Q. Do you claim that is an injustice?—A. I certainly do. I say that either the findings of Dr. Robertson were wrong, or there was a mistake in awarding his pension in Ottawa. The man exercised his right to appeal and wrote to the Pensions Board complaining that he had not been examined by a chest specialist. I have the letter here which he received from the Board of Pension Commissioners, in which it states that, "As he was not examined by a chest specialist at his last examination arrangements will be made to have him re-examined as soon as possible, procuring a specialist's report. Should his condition be shown to be other than as last reported, the necessary adjustment will be made." That letter is dated 9th December in reply to a letter written on the 22nd of November. This man was sent to Dr. Byers on the 6th January to be re-boarded. I do not know what Dr. Byers' report on him was, but I know that the man has heard nothing from the pensions office. He is still running along on his fifty per cent pension.

By the Chairman:

Q. The point you make is that the man who first examined him, and on whose examination apparently the pension was cut, was not a chest specialist?—A. Yes.

Q. And that appears, from the letter you read, to be admitted by the Pensions Board?—A. Yes.

The CHAIRMAN: I think we might ask some member of the board who may be here to tell us what they are doing with regard to the recommendation.

Major BURGESS: What is the case?

WITNESS: 1866, Private M. Garvin, No. Pension Board 200773.

Major BURGESS: It is quite possible that the system might fall down in a particular case, and it has in this instance. The matter will be put right, and there will not be any more examinations by the gentleman who made this examination in cases where a specialist is required to do the work.

The CHAIRMAN: Speaking generally, is the Board carrying out this recommendation of re-examining every six months men who are under pension who have been discharged?

Major BURGESS: Examinations are carried out every six months by a chest specialist wherever it is practicable.

WITNESS: The examinations certainly are not being conducted by chest specialists in the Montreal district. I am prepared to submit the names of many men who have

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been examined by Dr. Robertson and other doctors who, I am sure, would hesitate to go before the Board of Consultants and claim to have expert knowledge of tuberculosis.

Major BURGESS: As I say, that doctor is now being put right. It was an error on his part, and he is being put right.

Colonel E. G. DAVIS: The situation is that wherever possible the men are examined by chest experts. Throughout Canada there are these sanatoria, and nearly all the specialists that are available in Canada of any repute are in receipt of Government pay and make these examinations, and wherever the man is in a large centre, or near one, or in an institution, he is examined by a chest specialist. That is the general rule. Of course, as has been explained, apparently an examiner from Montreal examined this particular case. No doubt he would take into consideration the examination of the superintendent of the institution, but as explained, this matter is put right now. There are some cases where there may be difficulty in getting a man examined by a chest specialist after discharge from the sanatorium. For instance, the distances are very great in Canada and the chest specialists are few. I do not know the number of recognized chest specialists in Canada, but possibly a dozen or so, nearly all of whom are in Government service, and a man might be a very great distance from one of these points where chest specialists are. It might not be convenient to the man, or it might not be possible to bring him in at any stated date to be examined by such specialists, in which case the examination might be made by a local doctor and compared with the previous report on the files. Of course, the general rule is that wherever possible the man is examined by a recognized chest specialist.

By the Chairman:

Q. Then No. 5 reads:

"That a definite ruling be laid down by the committee for the action of the Board of Pension Commissioners in awarding pension to men adjudged to have had their disease aggravated and not acquired by service."

A. Well, from the order regarding aggravated cases, one would assume that in every case where a man was adjudged to have had his trouble aggravated and not caused by service, a ninety per cent pension would be paid, but I have several cases where men have not received ninety per cent pension, but a pension of smaller dimensions. There is the case of a man named Chapleau.

Q. You refer to the order made?—A. Yes.

Q. To what do you refer?—A. I have not a copy of the order, but on page 19 of the Board of Consultants' report you see at the bottom that on discharge from sanatorium one hundred per cent is granted for tuberculosis disability wholly due to service, and ninety per cent for tuberculosis disability aggravated by service.

Q. You say that you have a number of cases where that is not followed?—A. Yes. This applies to men with short terms of service, mostly in Canada, but I understand the ruling is that if a man has service extending over three months he would be awarded ninety per cent. If less than that he gets a pension according to the amount to which the Board of Pension Commissioners judges the disability to have been aggravated.

Major BURGESS: That is not just and right. Over three months he gets ninety per cent; under three months each case is treated on its particular merits—he may get ninety per cent, or he may not; it depends on the particular circumstances of each case.

WITNESS: Why make any difference at all? A man could have his trouble aggravated by two months' service. There is a direct line between the two cases, cases acquired on service and cases aggravated by service, and the man's contention is that if he is awarded one hundred per cent he acquired his disability on service; if ninety per cent, he had it aggravated. A man should either get ninety per cent or nothing. There should be no proportion of aggravation. The order says that his pre-war disability will be reckoned at ten per cent on a pension of ninety per cent.

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The CHAIRMAN: Can you tell us, Major Burgess, to what order the witness refers?

Major BURGESS: I know nothing about that order. I know that there is an instruction issued by the Board of Pension Commissioners along the lines I have stated and in accordance with the findings of the committee last year.

WITNESS: Here is a letter dated, 21st December, from the Board of Pension Commissioners addressed to the Soldiers' Welfare League at Ste. Agathe Sanatorium in regard to a patient by the name of Michael Long. The letter states in part:

"It is noted that the disabling condition which he has, is one which pre-existed his military service by some years and was aggravated only during service. Until August 1st, 1920, at which time the new regulation came into force, he was only entitled to pension for the aggravation. From that date, however, authority has been given in such cases to consider the pre-existing disability to have been ten per cent only and to award pension at the rate of ninety per cent."

That seems perfectly clear.

Mr. EDWARDS: Why make a difference between a man who has had three months' service, and a man who has had two months and twenty-eight days' service?

Major BURGESS: As I tried to explain, the line is not drawn hard and fast at three months.

Mr. EDWARDS: Why draw it at all? That is the point.

Major BURGESS: Because it is considered that under three months, the great majority of cases are aggravated very little by service. In the case of a man who has been in the service only three months, it is very doubtful that there would be any aggravation.

Mr. EDWARDS: Why make the time limit three months?

Major BURGESS: Because if there is any special reason to suppose that the service had aggravated his condition, he is given the benefit of the doubt and gets a pension.

The CHAIRMAN: But not necessarily a ninety per cent pension?

Major BURGESS: The difference is this: over three months it is considered that the service had aggravated it, because if a man has had three months it is considered that there was every opportunity for the service to aggravate it.

Mr. EDWARDS: If he has had only two months and twenty-eight days, it is not considered aggravated?

Major BURGESS: I would not say that. Such a case would be considered on its own merits. Under three months, each case is treated separately; there is no hard and fast line.

Mr. EDWARDS: The question is whether it is aggravated on service.

Major BURGESS: Well, the complaints which are on file would determine that factor. If it is shown definitely that a man was subject to exposure and so on, he would come under the provision.

Mr. EDWARDS: I cannot see any difference whether it is three months, or three days. If you come to the conclusion that his condition was aggravated by service, he should get the benefit of the pension.

WITNESS That is the man's plea.

Major BURGESS: I suggest that the witness bring forward those cases and have them dealt with by the sub-Committee and discussed by the Specialist. Each case can be taken separately and considered.

WITNESS: I should be pleased to give Major Burgess the particulars in these cases.

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Major BURGESS: I should like to have them come before the sub-committee so that our District Specialist would have an opportunity to go into each case.

WITNESS: If I give them direct to the Pension Commissioners they can speak on them before the Committee.

The CHAIRMAN: Well, I think perhaps the suggestion should be that they would go before the sub-Committee in the first place, and then the sub-Committee can refer them to the main Committee. We, unfortunately, have no time to go into a great many individual cases in this Committee, otherwise we would do so.

WITNESS: I am submitting these cases not as individual cases, but as illustrations of my point.

The CHAIRMAN: And so we wish to test your case by these illustrations, and if you will let Major Burgess have those full names and numbers, we can go into them further later on. I do not mean to suggest that they should be shut out from the general Committee at all.

WITNESS: There is the question of the consistency of the Board in these cases, for instance—in the case of another man who enlisted under the Military Service Act and who, to my knowledge, served less than three months—this man was awarded ninety per cent. This other man who served six months, was awarded fifty per cent. Now, you can readily understand that where two hundred men are living together these stories get around and it leaves a bad impression. I do not want to say anything to cause a reduction in the man's pension who enlisted under the Military Service Act, but in fairness to the other man, it seems to me that he is more entitled to ninety per cent than the one who has been awarded it.

The CHAIRMAN: Would not that be a question of the facts in each case? Must we not go into each case before we decide?

Major BURGESS: I could bring witnesses, if the Committee would like to discuss the general principle with them. For instance, Dr. Rawlinson is here, and could be questioned; he is thoroughly familiar with it.

The CHAIRMAN: Does the Committee desire at this stage to go further into the principle which is adopted? I think we understand it fairly well from what Major Burgess has said?

Hon. Mr. BÉLAND: I might suggest that the special cases referred to by Mr. Pyper be referred to the Sub-committee and then we will have it in our report. When we come to decide what should be done, we can hear this gentleman, Dr. Rawlings, to whom Major Burgess refers. That, I think, would be the best procedure.

The CHAIRMAN: I agree with your view; we can hardly take these cases up now.

WITNESS: I will get these particulars for Major Burgess.

The CHAIRMAN: We now come to No. 6:—

“That no difference should be made between the amount of the pension or pay and allowances paid to a dependent parent of a single man, and that paid in respect of a wife with no children.”

I think I have already considered that point on more than one occasion.

Hon. Mr. BÉLAND: It is a matter for consideration later.

WITNESS: There is a difference of \$11, a month between the allowance to a married man with no family and those of lads who were their mothers' sole support. It seems that if a man, whether he be married or not, is keeping his mother and has a house, he is just in the position of a married man with no family; in fact, he is in a worse position in a way, if I may so put it, because in the event of any special

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emergency I would put forward the plea that a young woman could more readily go out and do a little work and earn a little more than perhaps an elderly woman.

The CHAIRMAN: Well, that is a question which the Committee must consider; I think we know the facts.

WITNESS: There is a very considerable number of men affected by that ruling.

Mr. EDWARDS: A very considerable number.

By the Chairman:

Q. That is, there are a number of single men with parents dependent upon them, who get \$11 a month less than a married man with no family?—A. Yes, sir.

The CHAIRMAN: Now we come to No. 7.;

“That a scheme of ‘After-care,’ as submitted to the Committee by this delegation be approved and put into operation with all possible speed.”

WITNESS: That was dealt with yesterday by Mr. Fraser, a delegate from the Hamilton Sanatorium. This question has also been brought up and discussed frequently among the patients at St. Agathe, and I should like to tell the Committee it is favoured very greatly among the patients there. There has always been a certain amount of doubt as to whether such a scheme would meet with the approval of the men, but if a clear-cut proposition were put before them I am perfectly confident that it would be gone into with enthusiasm. The men realize that the two greatest questions that effect them are pensions and “after-care” and of the two I should think that “after-care” is really the more important.

By the Chairman:

Q. You spoke of a scheme submitted to the Committee?—A. It was submitted yesterday by Mr. Fraser.

By Hon. Mr. Béland:

Q. Was it submitted as evidence?—A. As evidence. He was in the witness' chair.

The CHAIRMAN: He spoke of the purchase of a farm at Lancaster and of the erection of houses.

Hon. Mr. BÉLAND: That will be in the report.

The CHAIRMAN: He desired to get an advance to enable them to build.

By Mr. Douglas:

Q. That is a scheme you approve of?—A. Yes sir, the men approve of the scheme as outlined by Mr. Fraser yesterday.

By the Chairman:

“That the provisions of The Returned Soldiers' Insurance Act be extended to the children of tuberculous ex-service men, as many Insurance Companies decline to accept these children as risks, and where they are accepted premiums are charged in excess of the ordinary rates.”

That has already come before us; what additional remarks do you wish to make?—A. Just a very brief remark. The opinion obtained from the insurance companies is that they will not accept, under almost any consideration whatever, children of tuberculous parents, which children are up to 18 or 19 years of age. They refuse to handle them as risks. After they are 19 years of age if the children have sound lungs and are in first-class physical condition otherwise, the companies will accept

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them, but at 19 years of age the rate charged goes up nine years. That is to say, a child of tuberculous parents who is 19 years of age would be charged a premium equal to that charged the ordinary individual of 28 years of age.

By Mr. Edwards:

Q. Do you mean to say that the risk is increased because that child lives in the same house as his tuberculous father.—A. Well, I understand that each case is dealt with—

Q. Or do they propose to leave the insurance scheme open for children of 18 or 19 years of age to meet the cases of children who have been born since the man acquired tuberculosis?—A. No sir, I would not say that.

Q. How does it apply to children who were born before the man contracted tuberculosis?—A. Each case is treated on its merits by the insurance company. If the child is living away from its parents, he is considered in a more favourable way by the company. But if he still lives with the parents, the danger of infection is taken into consideration, and the premium is advanced accordingly.

By Hon. Mr. Béland:

Q. That is not a hard and fast rule with the different insurance companies?—No sir, not a hard and fast rule, but it is a general rule among all insurance companies.

The CHAIRMAN: I take it that the insurance companies do pay attention to the family history, especially to that of the parents of the insured.

Hon. Mr. BÉLAND: They always do.

By the Chairman:

Q. The next is No. 9. (Reads):

“That the opinion of the sanatorium expert be obtained by the Vocational Branch, Department of Soldiers' Civil Re-Establishment, before a course is granted to a discharged tuberculous patient.”

What have you to say to that?—A. That clause is submitted because a number of men who have been given vocational training at the discretion of the vocational officer have fallen down on their courses through physical strain, and it is submitted that the men should be guided by the medical superintendent of the sanatorium, and that his advice should be followed in every case in granting courses to tuberculous men discharged from sanatoria. I have several cases that I could instance, one in particular where the man was very anxious to take a course of commercial art. He was refused this course by the department and given one in electrical meter repairing. The man broke down during this course and was returned to the sanatorium. He was treated for about a year and sent out again, and the Vocational Branch put him back to complete the course which he had started and on which he had broken down. He again asked to have a course of commercial art, but he was refused this course. He told the vocational officer that the medical superintendent of the sanatorium had informed him that if he continued with this particular course he would break down because it was too heavy for him. The vocational officer communicated with Dr. Byers who advised strongly that he should be given the course of commercial art. I submit that if the advice of the sanatorium expert had been taken in the first place this man would not have had a relapse twice as was the case during the course they had forced upon him.

By Hon. Mr. Béland:

Q. Did you mention what the course was?—A. Yes sir, he was taking a course of electrical meter repairing.

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By Mr. Douglas:

Q. That seems to be a case of conflict of opinion between the sanatorium expert and Dr. Byers?—A. No sir, the sanatorium expert is Dr. Byers. It is a conflict of opinion between the Vocational Branch of the D.S.C.R. and the medical opinion of the sanatorium.

By Hon. Mr. Béland:

Q. Your suggestion is that the opinion of the expert should be obtained and followed in every case?—A. Yes sir.

Q. In every case?—A. Yes sir.

By the Chairman:

Q. We will take that up with the D.S.C.R. when we come to that branch of the inquiry. No. 10 reads:—

“That the present regulations governing pay and allowances and clothing allowance to hospital treatment cases be revised by the committee, and these allowances increased.”

That appears to be new.—A. In your recommendations of last year I think it was estimated that \$900,000 would be required to meet the expenditure entailed by the new scale of pay and allowances drawn as nearly as possible on the total disability pension. Now, the recommendation also stated that it was owing to the increased cost of living that the committee made the recommendation for increased pay and allowances. I should just like to put before you a comparison of the pay and allowances under the old regulation and those under the new regulation. Under the old regulation a man and wife with no family received \$73 a month. Under the new regulation he gets \$79 a month. That represents a margin of \$6 to take care of the high cost of living to which the committee especially referred in their report. A man and wife with one child, under the old regulation, got \$82 a month. Under the new regulation he gets \$86 a month, a difference of \$4. If he had two children, he got formerly \$89 a month. Now he gets \$97, and so on. The average increase is about \$6 a month. Now I submit, sir, that as it was the recommendation of the committee that the increase be granted to take care of the high cost of living, the increase is totally inadequate for the purpose recommended by the committee.

Q. Do you say that the new scale does not follow the total disability pension?—

A. Taking into consideration the clothing allowance, as an allowance. But the men feel that the clothing allowance should be left out of the question altogether. They feel that the clothing allowance of \$7 a month was given as compensation for the withdrawal of the free clothing issue. I understand from the department that it was estimated that the cost of issuing free clothing to each man under the old system was \$6.70 a month, but that after that they were given an allowance in lieu of the free issue, \$7 a month, because of course the department felt that \$6.70 a month would not be sufficient to clothe a man when he was buying in the open market, and making his own contracts while they were buying in large quantities. It is considered by the men that \$84 a year for clothing allowance is totally inadequate.

Q. Do not let us confuse the clothing allowance with pay and allowances. The recommendation which is found at page 864 of the report is:—

“In view of the increased cost of living since the pay and allowances issued by the Department of Soldiers' Civil Re-establishment were authorized, your committee would recommend that a new scale be drawn with effect from the 1st of September next, based as nearly as possible on the total disability pension now recommended with suitable deductions when men are undergoing treatment

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in hospital. In other words, that the allowances for an out-patient who is unable to follow a remunerative occupation should approximate as nearly as possible a total disability pension."

What I want to know is whether those allowances for an out-patient do approximate or do not approximate the total disability pension.—A. I do not think they do.

Mr. PARKINSON: When pay and allowances were reduced they were higher than total disability pensions. Some were lower but were brought up to that amount, and they are now equal to, or higher than the total disability pension in every case.

WITNESS: Then it must be borne in mind that the argument was advanced that the total disability pension is insufficient to meet the man's need, but if the old scale of pay and allowances was deemed by the committee to be insufficient for the maintenance of a man's dependents, surely an average increase of \$6 a month is insufficient to take care of the higher cost of living. The men are not prepared to admit that the total disability pension is sufficient to live upon. I would just like to mention here that, suppose I was going to be discharged from the sanatorium to-morrow on \$75 a month pension, I could not live on that pension in Ste. Agathe. It would cost me for my room and board alone \$80 a month, and the men have repeatedly told me that they were finding it very, very difficult to make ends meet with the scale of pay and allowance at present in force, plus any little addition from articles that they might make in the workshop during their exercise time. The men eke out their allowance by articles they make and sell during their exercise time while they are taking treatment.

Q. Is this a plea that the allowance should be increased beyond total disability pension, if the total disability pension be not increased? You apparently would like both increased?—A. We would like both done. We are claiming that both should be increased—that total disability pension should be increased, and also that pay and allowances should be increased. We do not admit that pay and allowance is sufficient, or that total disability pension is sufficient. We are asking that both should be increased, and the clothing allowance also should be increased.

Q. You think the clothing allowance is insufficient?—A. Yes.

The CHAIRMAN: It is \$84 a year, which is \$7 a month. It has been stated that it costs the department about \$6.70 a month to buy clothing. The witness says a man cannot buy as cheaply as the department, and he finds the amount insufficient.

By Mr. Redman:

Q. That is additional clothing, necessitated by their condition?—A. No.

Q. You get your full pay and allowance. Do other patients as well as the tubercular patients get the \$7 allowance?—A. They all do.

Q. You have nothing extra on account of your peculiar requirements?—A. No.

Mr. PARKINSON: The total disability pension was taken as a standard. Last year your Committee dealt with pensions first, and agreed on a certain amount for total disability. The total disability pension for a man living at home includes his clothing allowance. In other words he buys his clothes and everything out of the disability pension. The pay and allowances at that time were lower in some cases, although in other cases they were higher than the total disability pension. The clothing allowance of \$7 a month is simply a nominal figure. The pay and allowances that a patient receives are now equal to or greater than the total disability pension, including the clothing allowance, because it is part of the total disability pension, and any suggestion to increase pay and allowance is really a suggestion to increase total disability pension. This is all part of the total pay and allowance which he receives. When he is an in-patient a certain deduction is made from the total allowance. That deduction is very small. I think it is \$30 a month, and really the

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in-patient is better off than the out-patient. There is no question about that, but I do not think there is any desire on the part of the Committee or the Government to make any greater distinction. The great majority are in-patients. We have only some six hundred out-patients, so that they may not be considered. As a matter of fact, therefore, the in-patient on the strength of the Department is in better shape financially than the total disability pensioner at the present date, and even considering his clothing allowance at \$7, which is a nominal figure, he does not enter into the consideration.

The CHAIRMAN: As I remember, it was a kind of complaint among the patients about the clothing.

Mr. PARKINSON: Yes, there were many complaints to the effect that there was favoritism, or certain demands that certain clothes be continued, and instead of issuing clothing it was put on the basis of pay and allowance. No clothing was issued, and the \$7 a month was allowed.

WITNESS: I do not think it was clearly explained to the men. It was stated that the \$7 a month was compensation for the free issue. A man had to be in the hospital for three months before he was entitled to any free issue. Under existing regulations a man may go into the hospital for one month and get \$7. Now a man does not need \$7 for one month's treatment. If a man goes into the hospital now, surely he has been long enough out of the hospital to clothe himself, and the Order is not working properly. It is benefitting men who are not designed to be benefited by it, and it appears that the \$900,000 appropriation would not be required to cover the small increase in pay and allowances and the allowance issued in lieu of free clothing.

By the Chairman:

Q. You think the allowance was excessive?—A. Yes, we consider that if the allowance were increased to men who were in the hospital for three months and upwards, and that all men in the hospital for a period less than three months should not get it, it would not cost the Department any more than it is costing at present. Suppose the allowance were increased from \$84 to \$150 a year, and the stipulation made that the man had to be in the hospital three months and over before he became entitled to the allowance, I doubt very much whether it would cost the Department more than it is costing them now.

Q. Then we take up No. 11, which reads—

“That during the time an ex-service man is under treatment, either as an in-patient or out-patient on full pay and allowances, or while he is in receipt of a total disability pension, his dependents should be entitled to free medical treatment and medicine from the D.S.C.R.”

I think we had that before us last year?—A. Yes, I think that point was up before and it is brought up again, sir, because it has not been granted, and it is a generally understood thing that a total disability pension takes care of the man and his dependents only if good health prevails in the family and does not provide for any emergencies at all. I doubt whether this affects a great many patients. In our own district any way, the medical men in the sanatorium recognize that the man cannot afford any extra expenditure and they give him this medical attention free. They are not asked to do so, but they do it of their own accord.

By Hon. Mr. Béland:

Q. What is the amount received by an out-patient to-day?—A. I could not tell you that.

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Q. You do not know what a tubercular patient would receive outside hospital for total disability?—A. I know what he would receive on pension. We have only two out-patients at Ste. Agathe, and I never see them.

The CHAIRMAN: What would he receive?

Mr. PARKINSON: Practically a total disability pension. It is a little over \$100 a month. The D.S.C.R. allowance is \$100 a month, I think it would be \$104 a month, although I am not just sure of those figures.

By Hon. Mr. Béland:

Q. In a case like this where a man received \$104 a month pension and allowance, would you be disposed to recommend that we provide for the free medical treatment of the wife?—A. Yes, because if I remember rightly, Col. Thompson, in giving his evidence last year on pensions, stated that while a man was in receipt of a total disability pension, it carried him along, provided there was no emergency; but that the pension in all cases did not provide for any emergency that might happen.

By the Chairman:

Q. You were speaking of the then existing scale?—A. If I remember rightly, Col. Thompson's exact words were "There is nothing to put by."

Q. That is on the old scale, which has since been increased?—A. I submit there is nothing to put by on the new scale.

By the Chairman:

Q. No. 12 reads:

That, in the event of the recurrence of war disability involving treatment in hospital or sanatorium for an entrant on Dominion lands, the time spent in such hospital or sanatorium should constitute good and sufficient residential duties.

That appears to be a new point.—A. This recommendation is sent from the West and I am not very well qualified to speak upon it. Mr. Simmonds, who as you know, was before you last year, was to have appeared but unfortunately he was taken sick with pulmonary hemorrhages on his way from Qu'Appelle sanatorium to collect the information.

Mr. REDMAN: I could say something about that. The rule of the Department of the Interior is this, that if a man's disability, caused by war, is not such as to unfit him for homestead duties, then he is given a patent, without the performance of his residence duties, but they make it a rule that they will not regard his disability as of that nature unless he is in receipt of a substantial pension. They regard that as a sort of necessity.

WITNESS: I have here a case from one of the sanatoria in the West; I will read an extract from the letter:

We beg to bring to your notice communications received by members of this league from the Department of the Interior. These communications refer to duties on homesteads and grants that were filed on by ex-soldiers who are at present undergoing treatment for tuberculosis in this sanatorium.

These men have been officially informed that they must either carry on their homestead duties or abandon their land.

If a man who has undergone treatment for tuberculosis in a sanatorium does perform these duties it is contrary to the direction of the medical superintendent by whose decision we understand the D.S.C.R. and the Pensions Board are guided.

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Also according to the ruling of the Soldier Settlement Board these men are not eligible for a loan, and therefore are not in a position to pay for the breaking of land.

Again no doctor who is eligible to sign B.P.C. Form 870 will do so while these men are performing homestead duties. This means that they have either to abandon their homesteads or forfeit their pension.

Then they go on to cite the case of a man who was discharged on the 15th April, 1917, after having undergone six months' treatment at Frank sanatorium. He was awarded a pension of \$14 and was classed as a supposedly arrested case. In October, 1919, he filed a homestead in Saskatchewan and started duties. On the 18th November, 1919, he was called up for re-examination and was returned to sanatorium for further treatment. Since this date he has been almost continuously either in hospital or sanatorium. This man corresponded with the Department of the Interior regarding the matter and was notified that as he made entry subsequent to his discharge from the army they were not in a position to deal with the case under the provisions of Section 23, of the Dominion Lands Act. The reply from the Minister of the Interior reads as follows:

In the case of soldier settlers who made entry either prior to, or subsequent to enlistment and who have suffered disability while on active service, the Department makes a special effort to be of assistance and decisions are based on medical evidence obtained from the Board of Pension Commissioners.

In the case of soldier settlers who made entry after their discharge from military service, such must necessarily be treated as civilian-entrants, but in special cases the Dominion Lands Act provides that such an entrant may be relieved from residence requirements, but the other necessary duties must be completed before patent can be obtained.

As I say, I am really not qualified to speak, but I can file this letter in support of the clause. I would like also to file a recommendation from the Kentville sanatorium; I am acting also on their behalf.

By Mr. Douglas:

Q. You are not in a position to say whether that recommendation was carried into effect. Would it not have the effect of a great many tubercular patients filing on lands knowing they could not fulfil the conditions and in that way require freehold?—A. There is not the slightest chance of that happening, because if a man is diagnosed as tubercular, he cannot qualify for the land.

Q. How is he to be prevented?—A. The Government will not accept him.

Q. The Government knows nothing about a man's physical condition when he files an application for the land.—A. But it is known in the department.

Mr. MACNUTT: Where will they get the land?

Mr. DOUGLAS: Wherever they can get it.

WITNESS: This applies to cases, I think, where the men have had the land prior to becoming tubercular.

Mr. DOUGLAS: If that is so, the department invariably gives them free residence, but the man has to put his improvements in. If he contracted tuberculosis on active service, his term of residence is conceded to him.

The CHAIRMAN: The witness does not know very much about it.

Mr. MACNEIL: He was not asking for exemption from cultivation duties; it is only the residence duties that he is asking exemption from.

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By the Chairman:

Q. You have a communication from Kentville sanatorium?—A. Yes.

Q. Could you file it with the Committee?—A. Yes. It is regarding the question of a pension for a widow of a tubercular man who married after contracting his disability, and he married with the consent of the authorities.

Q. What authorities would that be?—A. The D.S.C.R. There are cases of men who have married while they are actually in sanatoria. The Kentville sanatorium contends that if this man obtained permission to marry from the authorities, his widow should receive a pension in the same way as that of a man who had been married before that.

The CHAIRMAN: We have here Col. Hart, of the Board of Specialists, but I doubt if we can get very far with him this morning. We also, I think, have Major Topp, who wants to speak to us about some questions of insurance. The question is whether we shall go on or adjourn until to-morrow to hear Colonel Hart.

Mr. PARKINSON: Dr. Hart is here ready to take up these matters, but I would like to make an explanation. We hope to have within a day or two printed copies of a report of the board's specialists on the matter of after-care of tuberculosis and what we call problem cases. That report goes into the whole matter very fully and takes up the various points from the viewpoint of the experience and observation gained by the specialists. I think, therefore, it would be better if before we called upon Dr. Hart to have this report in your hands, because it goes into all these matters very fully, and each member will have a copy. It would then be possible to ask specific questions in regard to these matters. I think it would save a great deal of the time of the Committee. It is being put in type now and we hope to have copies available to-morrow afternoon or on Saturday morning.

The CHAIRMAN: I think that is a good suggestion. Dr. Hart will be free to come on later. Meantime we had better postpone hearing him. One or two members of the House desire to appear before us in connection with special cases, and we might be able to hear them to-morrow.

The Committee adjourned until Friday, April 1, at 11 a.m.

COMMITTEE ROOM 435

HOUSE OF COMMONS,

TUESDAY, April 5, 1921

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. E. W. Nesbitt, Vice Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Redman, Spinney, Sutherland, Turgeon, Wilson (Saskatoon)—16.

The ACTING CHAIRMAN: I think the sub-Committee on communications have a report to present.

Mr. REDMAN: I desire to read about a page of this to the Committee, and the rest can be filed. This is dated April 5th, 1921. In the meantime various communications have come in, the receipt of which has been acknowledged. The first page of this, reads as follows:

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"The sub-Committee on correspondence met on Friday, April 1st, and beg to submit herewith, a summary of eighty-five communications received up to, and including Saturday, March 26th, 1921, and to report as follows:—

(1) That after careful consideration of all correspondence, the sub-Committee would recommend that the Secretary be instructed to advise, at the conclusion of the Committee's deliberations, the parties interested, as to the final disposal of their communications, and as to the action, if any, of the Committee, on their various recommendations and suggestions.

(2) That the summary does not embody communications setting forth Specific Grievances, or the particular cases of individuals, these being referred, in accordance with the instructions of the Committee, direct to the sub-Committee on Special Cases.

(3) That the summary does not embody requests for representation before the Committee, these being referred direct to the sub-Committee on Evidence for its consideration.

(4) It is recommended that Nos. 7; 24; 26; 27; 37; 65; 66; 78; 79 and 82 be referred and read to the Committee without further delay.

(5) That Nos. 15; 16; 17; 21; 22; 23; 40; 41; 48; 56; 58; 60 to 63 inclusive, 73; 74; 76 and 85, be referred and read to the Committee when the general subjects to which they relate are under discussion.

(6) No recommendation is made as to the remainder of the correspondence, herein summarized, for the reason that it relates to subjects that have already been considered, or are at present under the consideration of the Committee, or for other obvious reasons."

We have summarized in the following pages the contents of these letters, and the subject matter in each case has been dealt with; there is nothing new or striking in those letters, but simply a reiteration of a principle we have already discussed. So that attached and following what I have read there is a summarization of these eighty-five letters put under the proper headings. I move that these be printed as an addendum to the Evidence, and I think those letters should now be read.

Mr. GREEN: I second the motion.

The motion was carried.

The ACTING CHAIRMAN: Do you want those letters read now?

Mr. REDMAN: Yes.

The CLERK OF THE COMMITTEE: The first is a resolution—

Pensions for Shell-shocked and Nervously Deranged

(Resolution passed by the Great War Veterans' Association, Winnipeg).

"In view of the fact that ex-members of His Majesty's Forces suffering from shell-shock or other nervous disorders directly attributable to war service are not at present eligible for benefits under the Pension Act, the Manitoba and Greater Winnipeg Commands respectfully suggest that, two years having elapsed since the cessation of hostilities, the department of the S.C.R. should now reclassify all cases of disability due to shell shock or derangement of the nervous system, with a view to bringing these cases under the provision of the Pension Act of Canada."

The ACTING CHAIRMAN: I would suggest that we hold that over until we are considering our report.

Mr. REDMAN: That question is outstanding. I thought the Committee should consider whether they would deal with it now.

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The ACTING CHAIRMAN: We will deal with this when we are considering our report.

The CLERK OF THE COMMITTEE: The next is a letter from Mr. E. G. Ahern to Mr. Cronyn regarding the case of Major G. W. C. MacNeil—

"Your communication of the 9th instant is herewith acknowledged. The marginally noted was struck off the strength of the C.E.F. April 17th, 1920, and his disability reported to be debility, the result of chronic bronchitis which resulted during his service. Pension was awarded him at the rate of ten per cent. He was examined at Vancouver the 23rd of August, 1920, and his disability reported to have become somewhat worse. At this examination he was also examined by an oculist and his vision reported to be normal. Pension was increased at the rate of 20 per cent.

"He was taken on the strength of the D.S.C.R. for vocational training October 4th, 1920, was transferred for treatment the 19th of November, where he remained until the 10th of January, 1921. In November, 1920, his left eye was injured by a piece of wood, and on being admitted to hospital received surgical treatment. This disability, of course, was in no way attributable to his military service, so that it was not pensionable. The condition for which he had previously been pensioned being about the same as before, pension has been continued at the same rate, namely, 20 per cent.

"It is trusted this will afford you the desired information."

The ACTING CHAIRMAN: That will go to the Special Committee.

Mr. REDMAN: There is a letter from Major Cronyn there to be read. It is attached.

The CLERK OF THE COMMITTEE: The letter is dated March 16th, 1920, to O. M. Biggar, Esq., K.C., Chief Electoral Officer, Ottawa, Ont.

"My dear Colonel:

"Re: Major G. W. C. MacNeil, B.P.C. 200032.

"I have just heard from the Pension Board with regard to the above case. It appears this officer on returning from the front was awarded a 10 per cent pension for chronic bronchitis. In August last he was re-examined, and because of an increase of his trouble, the pension was fixed at 20 per cent. In November, 1920, while on the strength of the D.S.C.R. for vocational training his left eye was injured, but as this injury was not incurred during training, it is not pensionable, and no greater allowance can be made to him than the one above mentioned.

"This brings us to the general question as to what the country can do in cases of this kind. It will undoubtedly be up for discussion in some form or another before the Parliamentary Committee. I would be deeply obliged if you could find time to put your views on the subject in writing. Should you have any objection, I could undertake that your name will not be brought up before the Committee."

Mr. REDMAN: That is the case of the men who are injured while in the S.C.R. department.

The ACTING CHAIRMAN: That will be considered by the Committee when we are considering our report.

The CLERK OF THE COMMITTEE: Then we have No. 26—Canadian Patriotic Fund.

Hon. Mr. BÉLAND: Those are special cases.

Mr. REDMAN: No.

The ACTING CHAIRMAN: They are cases for the Committee to consider, and I was going to suggest if they are all in the same class as the last two, the Committee could consider them when considering its report.

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Hon. Mr. BÉLAND: Does not this class of case come within the province of the sub-Committee?

The ACTING CHAIRMAN: It would to a certain extent.

Mr. REDMAN: It would not in my view.

Mr. GREEN: Mr. Cronyn's idea is that while it is a special case, it is only typical of what may be a class—those who were injured while in the S.C.R. Department.

Hon. Mr. BÉLAND: There are very few cases that may not become typical cases.

Mr. REDMAN: We had a hundred cases before us for review and of the hundred we have referred ten only to this Committee. The ten which we have referred cover principles which have not been discussed heretofore, principles which, unless these letters come before the Committee, might not be discussed by the Committee. The last one raises the question as to whether any pensions should be paid on account of injuries sustained by the soldiers, not while he was in the army, but while he was under the D.S.C.R., which is a definite principle. The next one is from the Canadian Patriotic Fund. It struck me that the general statements by their secretary on re-establishment would be very pertinent to the Committee.

The ACTING CHAIRMAN: Personally, Major Redman, I am absolutely in agreement that that, for instance, is not a particular case so much as it is a general case; I think the only difference between you and me is that I think they ought to be referred to the committee when we are considering our report, not now. If we consider them now, we are only repeating the work, that is all.

Mr. REDMAN: We have referred some twenty-five cases to the committee for consideration when they are considering the subjects referred to.

The ACTING CHAIRMAN: That is the question, whether we should deal with any cases that are injured during the D.S.C.R. period.

Mr. REDMAN: We might discuss the matter on this basis, that, with regard to these ten cases which we have referred to the Committee now, the secretary shall bring them up when we are discussing the particular subject referred to. That will avoid the reading of them now, but care should be taken to bring them up when those special subjects are under consideration. Someone may wish to give evidence regarding them. For example, No. 79, which is one of the ten letters just brought up, should be read now, because there is a witness here from Winnipeg in regard to it, and we have to decide whether we are going to discuss that subject or not, and if so, when. If they are not to be read, I think the Chairman or Vice-chairman should go over them, and acquaint himself with their contents.

The CLERK: No. 79 has been referred to the Special Committee. It deals with the case of the G. T. P. employees at Winnipeg. You will, Mr. Chairman, remember my summary of that. Apparently there were thirty-six employees of the Grand Trunk Pacific who enlisted.

The ACTING CHAIRMAN: We will take that case up to-morrow.

Mr. REDMAN: That case cannot be dealt with unless you have the Deputy Minister of Railways here to answer it. I think he should be called to-morrow, if you are going to take it up then.

The ACTING CHAIRMAN: We will take it up to-morrow if we get time.

Mr. REDMAN: Let them all be dealt with when the subjects are up, but make sure that when the subjects come up these letters come up for consideration at the same time.

The ACTING CHAIRMAN: I understand that Mr. Green, as chairman of the Committee on Evidence, has agreed that Mr. J. F. Marsh, Dominion Secretary, G. A. U. V., should appear before the Committee this morning.

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The CLERK: This soldiers' organization, Mr. Chairman, has submitted written suggestions upon three questions, Pensions, Insurance, and Re-establishment.

Mr. MORPHY: Is Mr. Marsh here?

Mr. MACNEIL: Mr. Marsh is not here at the moment.

The ACTING CHAIRMAN: Is Mr. Rayfield here?

Mr. MACNEIL: He will be here in a moment.

Hon. Mr. BÉLAND: Is there any other business, Mr. Chairman?

The ACTING CHAIRMAN: I understand Major Andrews wishes to be heard.

Mr. ANDREWS: It will not take me more than a minute or two to say what I have to say, because it is a matter for the committee to take up at their discretion later on. It refers to a petition which I have been asked to present from the ladies of the I. O. D. E. at Winnipeg, with regard to a permanent home for soldiers in that city. On page 1, of the report issued by the Department of Soldiers' Civil Re-establishment, 1920, . . . By the way, Mr. Chairman, I think it is a very excellent report. It has fallen upon me, at different times, to criticize this department, but this report is something which I think we have all a right to be proud of as Canadian citizens; it is a splendid report. On page 1, I find the following:

"When it is realized that of the patients on strength of the department for treatment nearly one-half are suffering with disabilities which will require treatment for the duration of their lives, . . ."

I think the Committee will realize that the time has come now when a permanent home is pertinent to the Soldiers' Civil Re-establishment Department.

This petition from the I. O. D. E. reads as follows:

WHEREAS the Imperial Order of the Daughters of the Empire of Manitoba, with the consent and encouragement of the late General S. B. Steele, C.B., established the first home for Convalescent Soldiers in Canada, namely in February, 1915, and,

WHEREAS the said Home has been approved by the Department of Militia and Defence, and has ever since been in continual operation, and,

WHEREAS having been since the Fall of 1919 kept open for the aforesaid purpose at the request of the Soldiers' Civil Re-establishment Board, and,

WHEREAS the said Imperial Order of the Daughters of the Empire have devoted much time and labour to the care of returned soldiers in the said Home, and in the care and upkeep of the same Home, and,

WHEREAS some such institution is needed and will be needed for many years to come, and,

WHEREAS at a meeting of citizens of the city of Winnipeg in Grace Church during the month of February, A.D. 1919, it was resolved to petition the Dominion Government to establish a permanent home in or near the city of Winnipeg for returned soldiers, and that the same be in charge of and under the control and direction of the said Imperial Order of the Daughters of the Empire, and,

WHEREAS the said petition was forwarded to the Dominion Government during the month of March, A.D. 1919.

THEREFORE BE IT RESOLVED that the Board of Management of the said Convalescent Home do petition the Dominion Government to accede to the said petition at the earliest possible date, and that the said permanent home for soldiers be established in or near Winnipeg, and that the management of the same be entrusted to the Board of Representatives of the said Imperial Order of the Daughters of the Empire."

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It has been O.K'd by the Municipal Regent and also by the Provincial President of the Daughters of the Empire. To give you some idea of the importance of this body, Mr. Chairman, announcement was made that this petition was coming before the Committee, and the *Winnipeg Free Press*, which is a Conservative organ, appeared with an article with red headlines across the top of the page. It is a live subject in Manitoba, and the *Free Press* suggested that, in view of this, the resolution from Winnipeg would be of interest as providing the Committee with a starting point towards that end. That is my particular object this morning,—to present a starting point for the Committee. On page 38 of this report of the Soldiers' Civil Re-establishment Department I find that in the Winnipeg General Hospital, the I.O.D.E. Hospital, the Military Hospital, the St. Boniface Hospital, and the General Hospital.

Mr. MORPHY: What is the date of that report?

Mr. ANDREWS: 1921,—the last one issued. When I made my last round of the hospitals of Winnipeg just before coming here I found that there were over 600 patients and that the only hospital under the direct command of the I.O.D.E. was Deer Lodge with 64 beds. I think that that is something that the Soldiers' Re-establishment Committee will realize as very important. Manitoba is the centre for all neurological cases, some of them coming from as far as Edmonton, and Winnipeg is the place where we can get expert doctors. We cannot get them in the small places. Well, half of the patients on the strength at the present time are permanently disabled. I think, Mr. Chairman and gentlemen, that the time has now come to deal with this matter. When the petition was presented a year ago, perhaps it was too soon, but now, under the circumstances, I think the time has undoubtedly come when we must make some permanent home for these men.

The ACTING CHAIRMAN: Do you wish to file this report?

Mr. ANDREWS: Yes I wish to file that for the discussion of your Committee.

Mr. MORPHY: Major Andrews says that half of the men are permanently disabled. Does that mean that there are over 300?

Mr. ANDREWS: One-half of the 600. That was what I found on looking round the city. I have one more case to present. It refers to pensions. It is a case where the departments have done all they can and where a new Act of Parliament is necessary. That is my reason for bringing it to the attention of the Committee. It refers to one W. R. Watson. This young man was the body-servant of General Macdonell who is now Commandant of the School at Kingston. He came to see me about his case, and I may say that he made a most favourable impression, because while he was evidently very poor, he was well shaved, his boots were clean, and he was well smartened up,—a self-respecting man. This is what he says:

"Now that Parliament is again in session, I am taking the liberty of again bringing my case to your notice, and incidentally that of others who may be placed in a similar position to myself.

You will no doubt remember the young man who had a personal interview with you just before Christmas, at your residence.

It would perhaps be just as well to give you a brief resume of the facts in order to refresh your memory.

I enlisted in the permanent force in 1912, serving until 1915, when I was discharged as medically unfit, with a good character.

During my term of service I was thrown from a horse and sustained severe injuries to my arms.

I was awarded a third degree pension (\$75.00 per annum) but my next Board raised the amount to eleven dollars per month, the following Board expressed great surprise at the meagreness of my pension, considering the

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extent of the disability, and my pension was subsequently raised to twenty dollars per month.

The B.P.C. office continued paying the pension for about two years, when someone discovered that I should only be receiving a third degree pension, when they promptly notified me that this was the pension I would receive in future.

Now Sir, while they were making my disability the basis of their award (as it should be) I was receiving a more adequate measure of justice, but justice was strangled by red tape, and I was put back on a pension Act which has been proven unjust and obsolete.

However, I wrote the B.P.C. asking that they board me again, and signifying my willingness to abide by the decision of the Board whatever that decision might be.

I accordingly appeared before a Board on June, 1920, the findings of the Board was that I was *50 per cent to 60 per cent permanently disabled*.

Here I thought was where I obtained some redress, but no, they wrote back and told me that no matter what my disability might be, under the existing laws I could never receive more than six and one-quarter dollars per month.

This small sum was little or no use to me, so I wrote and asked them if I had the option of accepting the Six Hundred dollars as a final settlement. They replied that as I was over 14 per cent disabled, I did not have the option.

Did you ever hear such an example of official stupidity? Refused an adequate pension for a 60 per cent disability, and then refused the terms of a final settlement because I was over 14 per cent disabled. It seems that my class of pensioners are penalized and balked at every turn.

Now, sir, Parliament is in session, and I hear that another Committee on Soldiers' Civil Re-establishment is about to sit. If you will not think me presumptuous, I would suggest that you fight for the following amendments to the Pension Act.

"That all persons coming under the old Pensions Act should be brought up to the same status as a C.E.F. man. The amount of expenditure entailed in this operation would be negligible, as the Government has already raised the Fenian Raid, the Riel Rebellion, and the S.A. War veterans to this status, so that the number of men left out in the cold are not many. Mainly R.N.W.P. and Permanent Force men."

This is very unjust, for compare our position with that of the men who never left Canada, and who might have only a few weeks' service to his credit. He gets a C.E.F. pension, because he happened to enlist during the war (I did too) and contracted some disability. Men in my position having from three years' service and upwards are penalized under an obsolete Pension Act.

If the Government does not want to raise us poor unfortunates to the C. E. F. Pension status, then let them give us the option of accepting a sum in final settlement no matter what our disability, for if it is impossible to raise our pensions, the Government can't do any harm by giving us that option. Maybe they could raise the fixed sum in our cases in lieu of the fact that our disabilities are more than 14 per cent.

Anyway as a married man, the \$6.25 per month is useless. The \$600 would be of more use to me, and to others like me. I would willingly, now that things have reached an impasse, absolve the Government of all future responsibility in return for the option of accepting a final settlement, which would be of some use in comparison with the miserable monthly pittance. I know that others echo these sentiments.

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No one can gainsay the truth and justice inherent in this argument, and I feel sure that you will put up a valiant scrap, as you are wont to do when the interests of justice are at stake.

If the reading of this letter in the House will substantiate your arguments, you are quite at liberty to read it.

Wishing you every successs," and so on.

(Sgd) W. R. WATSON.

Now I have also a letter from the Commandant of the School at Kingston—General Macdonell. He says:

"I am enclosing for your information a copy of a letter which I have received from the Board of Pension Commissioners regarding Watson.

It would appear that two courses of action are now open, as follows:—

(1) The claim of Watson for consideration as a member of the Canadian Expeditionary Force in the 221st Overseas Battalion. The point to be made in this case is that he must have been fit to be accepted by the authorities, and that, having been discharged medically unfit, he should receive a pension commensurate with his injuries.

(2) The passing of legislation which would ensure that old members of the Permanent Force who are in receipt of disability pension for injuries received when serving the Crown, should be given the same scale of pensions as those granted to the Canadian Expeditionary Force.

It would seem to me that the old hands who served in times of peace and had the bad luck to be injured, should not now be dealt with in a careless manner, and I would be glad to hear of your views on the subject. If you think that something might be done during the next session of Parliament, I would be glad to assist in any way possible, such as letting General Griesbach, Colonel "Cy" Peck, and other friends have particulars of the situation."

That is a very deserving case. It is a typical one.

Mr. WILSON: Did this man that you are referring to—Watson, incur the disability before enlisting in the C. E. F.?

Mr. ANDREWS: Yes.

Mr. WILSON: In the regular forces?

Mr. ANDREWS: Yes, a very few days before the war started. This is the only case that I know of in Winnipeg which has been brought to my personal attention. \$600 would settle it. There may be more cases. I know that Major Cronyn has one or two.

Mr. GREEN: I move that this case be referred to the Committee on Special cases. Motion agreed to.

Mr. J. F. MARSH, called, sworn and examined.

By the Acting Chairman:

Q. Do you and your friend want to talk on the same subject?—A. Not unless called upon.

Q. What is your business?—A. Dominion Secretary G. A. U. V.

Q. Where?—A. Headquarters, Toronto, and the other man is W. L. Rayfield, V.C., Dominion Board of Directors. G.A.U.V.

Q. Do you want your mate to give evidence at the same time?—A. Well, I want to place these suggestions before the Committee, with your permission.

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Q. Clause by clause?—A. Yes. Pensions come first.

Q. You will give us your views on pensions?—A. These are the views of the Dominion Board of Directors, and the whole Association throughout Canada and the United States. I might say, Mr. Chairman and gentlemen, that we have instructions forwarded down to us to represent the Naval Veterans of Canada, as well as the G.A.U.V.

By Mr. Morphy.

Q. Is that the Army and Navy Veterans?—A. No, the Naval Veterans of Canada.

The ACTING CHAIRMAN: Mr. Marsh gives me a letter to Mr. Hume Cronyn, M.P., Chairman, Committee on Pensions and Re-establishment, Ottawa. (Reads):

"Dear Sir,

This is to certify that Comrade J. Marsh, Dominion Secretary of the G. A. U. V., is hereby given authority to represent the Naval Veterans' Association of Canada in presenting the joint views of the N. V. A., and the G. A. U. V., of which he has a copy, before your Select Committee.

Trusting these views will meet with your Committee's and the Government's sympathetic consideration, I am,

Yours very truly,

W. D. Johnson.

By Mr. Morphy:

Q. What does N.V.A. mean?—A. The Naval Veterans' Association of Canada.

By the Acting Chairman:

Q. Will you take up your suggestions now?—A. The following are suggestions submitted by the Grand Army of United Veterans, Dominion Board of Directors on Pensions.—

(1) That the table of rates for payment of pensions be revised and fixed as hereunder suggested:—

(A) That the pension awarded a widow without children or a widowed dependent mother, with no dependents be increased to \$100 per month, without regard to income from other sources and that widows with children receive the recognized allowance for same in addition.

The ACTING CHAIRMAN: That is just the same as the one that was considered the other day.

Mr. MORPHY: Yes, I think so.

Hon. Mr. BÉLAND: It is \$25 more.

The ACTING CHAIRMAN: It is on the same principle.

Mr. MORPHY: Will we have Mr. Marsh's views on (A)?

The ACTING CHAIRMAN: I think this gives his views, and not only his views, but the views of the association he represents.

WITNESS: I may say that the idea of the Association in bringing this matter before you to-day is on account of resolutions from the various parts of the Dominion regarding the present pension for the widow. The present pension is \$60 a month. We figured that by the week, \$15 per week, for a widow who has lost her husband, a fighting man, overseas. We feel that it is absolutely inadequate, and we have realized that, especially with the present high cost of living. We are in close touch with them every day, and we find there are serious hardships connected with these pensions. The words "without regard to income from other sources" have been

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referred to, and I might say that this is a source of discontent amongst the widows at the present time. We have a statement from the Pension Board that if a soldier's widow receives any assistance of any description, it is deducted from her pension.

Mr. REDMAN: Well, it is not now.

The ACTING CHAIRMAN: You are altogether wrong, but that is for the committee to discuss.

WITNESS I might say, Mr. Chairman, that on Friday there was a lady came into my office regarding that very thing, because she was a pensioner. Her only son was killed overseas, and she was refused a pension for the son.

Mr. REDMAN You are quite right about that. That is a parent.

WITNESS: A little while ago she was offered an opportunity to take part in a rooming house with her married sister, and the Pension Board scouts got after her, and threatened to take her pension off, only last week. She was scared off, and had to leave this house, and sell the furniture in the house, and they wanted to know how much she got for the furniture, and they are bothering her every day.

By Mr. Morphy:

Q. Give us the name of the man who threatened her, and wanted to know what became of her furniture?—A. The scout of the Pension Board in Toronto.

Q. Only one scout?—A. Only one on this particular case.

Q. Don't you know his name?—A. No.

Q. Give us the woman's name you made the assertion about, and we will look it up.

WITNESS:

(B) "That the scale of pensions for disabled ex-service men and women be fixed at the monthly rate of one dollar per one per cent of disability, (\$100.00 per month for 100 per cent disability)".

In passing, I may say that we feel that the man who is totally disabled—there are not a great many of these men—but \$25 per week is not much for a man who has lost his limbs in the service.

By the Acting Chairman:

Q. You use the words "scale of pensions for disabled ex-service men;" you do not use the term "totally disabled."—A. No, it would not be necessary there, because it states that it is for each per cent of disability. It is not only 100 per cent disability. It is not only 100 per cent disability cases that are affected. There are cases that are even more vitally affected than the 100 per cent cases, 40 per cent and 60 per cent disabled men.

The ACTING CHAIRMAN: This clause is word for word the same as the Great War Veterans' recommendation. We are considering this.

WITNESS: (Reads)

"(c) That pensions be awarded to all other dependent next of kin, equal in scale to that proposed for a widowed mother without dependents."

By the Acting Chairman:

Q. Just what do you mean by that?—A. We feel that the allowance for the dependent next of kin should be just the same as for a widowed mother. Now, we have found some cases where a sister can be a dependent next of kin, or a brother, but more frequently a sister, and we feel that no matter who the dependent next of kin is, the allowance should be the same.

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This is No. 2:—"That the foregoing regulations apply equally to the guardians of orphans of deceased members of the C.E.F. and naval ratings, irrespective of the relationship of said guardian to said orphans."

Speaking on that clause I may say that we find, in the various institutions of the country, a large number of soldiers' children, who are orphans; and, of course, it is a very good place for them to be in numerous cases. Yet, as an association, we feel that, irrespective of the relationship of the said guardian, we have a number of men who served overseas who were living with foster-parents, and so forth, and we find that these orphans are in some cases placed in the care of relatives or foster-parents to that extent, and it would be a home for them apart from the homes in the province, like the Soldiers' Aid Commission. Instead of having these general homes, we would like more private homes where possible.

The ACTING CHAIRMAN: I think we grasp your idea.

WITNESS: No. 3 reads as follows:—

"That no deduction in pension be made because of the fact that the pensioner or dependent may not reside in Canada."

The ACTING CHAIRMAN: I think we grasp your idea.

WITNESS: With regard to that, I might say that we have about ten branches in the United States, all C.E.F. men—a strong branch in Philadelphia, one in Rochester, and branches in various other places in the United States, and we hear continually from there about the difference in pensions. These men were recruited for the C.E.F.—some of them before America came into the war, and some of them, of course, are Canadian citizens who have made their homes there. Some, I am sorry to say, have been driven over the line because they could not get work in this country.

By Mr. Morphy:

Q. Driven from Canada to the States?—A. Well, they have been driven through circumstances,—not finding employment here.

Q. There are thousands coming into Canada from the States at the same time? A. Well, we are only concerned with those of our own members who had to go over the line and through going over the line their pensions are not the same as they would be here. The pension is inadequate to keep them here and they have to go and find work.

The Acting CHAIRMAN: We understand the position; it has been brought forward before. It will be considered by the Committee.

WITNESS: No. 4: "That in the case of a pensioner suffering from a disability incurred in a theatre of war, no deduction be made because of disability shown to have existed prior to enlistment, and that section 25, par. 3, of the existing Act be accordingly amended."

Mr. COOPER: We have had that up already in connection with the G.W.V.A. recommendations.

The Acting CHAIRMAN: That will be considered also.

WITNESS: I might say on that that we have a case in point here: Sergt. E. J. Crouch, Reg. No. 273357. He enlisted April 1, 1916, and proceeded over to Shorncliffe in the first lap of the war on the way to France. He had no sickness for ten years prior to enlistment. He was discharged on November 30, 1917. He was taken sick over in England with a chest complaint, after a year and a half of service, during which year and a half in the army he had never reported sick. He had been a soldier with physical training for a year and a half, without taking sick, and now we find that he is a physical wreck. He has been before the Pension Board at the

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instigation of our Association, trying to get a pension. When he came back his condition was such that he was granted a vocational course. In February, 1920, he was taken to Spadina Hospital with pneumonia and bronchitis. He was a suspected tubercular case. He was there two months and was sick again in July 1920 until September 1920, and ever since he came back he has been given a private doctor. We have this letter from the Medical Examiner of the Pensions Division:

"Replying to yours of recent date, your documents show that you were discharged on November 30, 1917 and Medical Board at that time states that you had trouble with your lungs prior to enlistment, and that there was no disability due to Service.

"Examination at this late date could not add any information as to disability due to Service, and it is therefore not indicated."

By the Acting Chairman:

Q. What is the date of that letter?—A. March 18, 1921.

Q. He served in France?—A. He did not go over to France; he was taken down. We have a report from Dr. Spicer. We tried to get the thing fixed up, and Dr. Spicer, an independent medical practitioner, gave us a report which reads as follows:

"Re the marginally noted man, I wish to state that on consultation I find heart normal, left lung fair, and right lung full of moist rales. On interrogation I find the man complaining of headaches, diarrhoea, and shortness of breath, with general weakness, also losing weight."

He was losing weight all the time. Dr. Spicer adds:—

"I feel that this man should have an X-ray of his chest, and with it immediate attention, possibly admission to hospital for treatment."

The ACTING CHAIRMAN: Just file that correspondence with the Assistant Secretary of the Committee. It will come before the Committee for consideration.

WITNESS: No. 5 reads:—

"That the definitely recognized principle of all Veteran Associations that the pensions should be equal without consideration of rank be adopted."

MR. COOPER: That is also in the G. W. V. A. recommendations.

WITNESS: It is for the equalization of pensions.

The ACTING CHAIRMAN: We have considered that question every year.

WITNESS: No. 6 reads:—

"That provision be made for the payment of pensions to dependents of those who die subsequent to discharge when it has been determined that loss of vitality attributable to war service has been the contributing cause of death."

The ACTING CHAIRMAN: We have that noted for consideration.

WITNESS: Is that under the consideration?

The ACTING CHAIRMAN: Yes.

WITNESS: We have serious cases under that clause.

The ACTING CHAIRMAN: We will consider it when we come to it.

WITNESS: No. 7 reads:—

"That an Appeal Board be formed in each military district to insure greater satisfaction amongst the pensioners."

I would like to speak on that for a moment. This Appeal Board is absolutely necessary so far as a square deal for the pensioners is concerned. We find that the

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present situation is this: That a man is boarded by one doctor and not by three doctors who are supposed to constitute a board according to K.R. & O. A pensioner comes before one doctor. He is examined sometimes, and sometimes he is not. When he is examined, the findings are forwarded to Ottawa, with the recommendations of the doctor, who examines the disability pensioner, and Ottawa decides the pension without seeing the man. Ottawa never sees the pensioner, and yet they have the power, and take advantage of that power, to cut the pension down. We have cases where a pension has been recommended for a certain amount. In fact, my own case was typical. A pension has been recommended for a certain amount, and it has been cut down at Ottawa.

By Mr. Morphy:

Q. Correspondingly, are there not similar cases where the reverse was true, where the pension was raised above what the local examiner recommended?—A. Perhaps I do not make it clear. My point is that it is not a question of discriminating against the pensioner, cutting him down. We feel that the decision should be made by the man who saw the conditions.

Q. You have not answered my question.—A. I can give you one case in point that will satisfy the gentleman who has spoken. He is one of our comrades who was shot through the face, through the mouth, and the bullet came out through the eye. His face was all drawn up and twisted in various shapes. He had applied for a commutation of pension. It was for \$300. But at Ottawa they found that there was not much wrong with the nerves of his face, and yet the man was disfigured. Before we could get the amount increased we had to have a photograph of the man's face sent to Ottawa, whereas it could have been decided by the Medical Board who saw him at the time. We had to get a picture of that man to send to Ottawa before they could realize what they were deciding on. We feel also that when a man comes up for a pension now there is some need for an examination through the re-action after service. A man comes up before the Pension Board with one doctor. He may not be satisfied. He signs away and that recommendation may be cut down. When he wants to appeal he applies to the Pension Board and they tell him to go out and get an examination by a medical practitioner. He pays \$5 for the examination, and if the Pension Board decides that this examination makes a difference in his pension, if they decide that he is to be pensioned higher through this examination, they will refund the \$5 to the medical practitioner. But what we find is this: it is a deplorable condition, that the majority of the returned men, who have been unemployed throughout the winter, have not the \$5. We have had through our own Association and through the G.W.V.A. as well, to put up the money to get private examinations before the men could appear before a board at all. These men should have a right to an appeal board. The returned man who is well is not going to apply for an appeal board.

By the Acting Chairman:

Q. What would you suggest as the personnel of an appeal board—three doctors?—A. I might say, Mr. Chairman, that at a luncheon about two months ago Major Cronyn was speaking and at that luncheon he said he was going to recommend a travelling appeal board. It could either be a stationary appeal board or a travelling appeal board. All that we are asking is that a man should have an examination, and if he is not satisfied have an appeal board.

WITNESS: Will that recommendation have consideration?

The ACTING CHAIRMAN: Yes, all these questions will have consideration.

By Mr. MORPHY: Before you pass from that point I would like to ask a question or two. When the local medical officer recommends a man for a certain per-
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centage of disability, have you any knowledge of what takes place? Does he say that the man is bound to get that allotment of disability, or does he warn the soldier that it is merely a recommendation which may be changed at Ottawa?—A. Well Mr. Chairman, answering that, I find chiefly that in most cases the doctor will just tell him that he is recommending. They do not tell him as a rule that he is going to get that. The doctor as a rule tells him that he cannot tell until it comes from Ottawa. The doctor tells him that he is recommending.

By the Acting Chairman:

Q. He does not deceive them?—A. Oh no, sir.

The ACTING CHAIRMAN: Now we come to No. 8.

WITNESS: (Reads)

“Optionable commutation of pension where advisable in cases where percentage of disability is greater than under present practicable conditions.”

I might say that we had a debate on that clause. There are some people who are against it. But the idea is this: We have men with 15 per cent disability who have lost a few fingers perhaps or a toe, or something like that who are not liable to grow any worse. Some of these men have been driven to the circumstance that they require some ready money, and they have found out that the commutation of pension is allowed between 5 per cent and 14 per cent. Some of the 15 per cent men have been writing to Ottawa directly to see if they could get it. One case of 25 per cent wrote to Ottawa and asked if he could get this amount. They told him that he could be re-boarded to see if he would come under that. He was re-boarded and was cut off and lost everything. He was trying to be reduced to 14 per cent, and they cut the whole “shooting-match” out. The thing is this: A man at 15 per cent cannot get a commutation because he is 1 per cent over the limit.

The ACTING CHAIRMAN: You recommend that?

By Mr. Morphy:

Q. Does the witness want it limited to 15 per cent?—A. No, we want it optional. There is a point in that as well. Of course, we are not satisfied with the way in which the commutation of pension is arranged now. We find that a man with 5 per cent disability is recommended for \$600. And sometimes you find a man with fourteen per cent disability recommended \$120.

Mr. COOPER: No, the minimum is \$300 and the maximum \$600. It is impossible

WITNESS: No, sir, that is wrong: \$120, \$150 and \$220. There are various amounts

Mr. GREEN: There is a deduction after a certain time?

WITNESS: After September.

Major BURGESS: The amount is fixed for permanent disability. If the disabilities are permanent they do not get the same amount as a temporary disability would get.

WITNESS: The point is this, it is according to the permanency of the disability, yet they have no recourse to an appeal, and we have no redress. This man was shot through the face, and his face was shattered, and he got word back that his disability was only 10 per cent, and that was only a temporary disability. There was another man with his arm injured and his case was only temporary. We feel that with an appeal board these cases will be remedied.

By the Acting Chairman:

Q. You want to increase that to what extent?—A. There is no special limit there recommended, but in cases where advisable—

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By Mr. Caldwell:

Q. Who would decide whether it would be advisable?—What method would you suggest?—A. The method we would suggest would be up to the Pension Board, to decide whether the disability was of such a nature that it would not in their opinion grow worse every year like tuberculosis. The loss of a few fingers or toes of course would not get worse.

Q. Is it not a fact that if a man commutes his pension and the disability grows worse, due to service, he can go back for the balance of pension he might be entitled to?

The ACTING CHAIRMAN: Yes, he would not be re-established.

By Mr. Caldwell:

Q. Is it not also a fact that a soldier makes a mistake to commute his pension at all?

The ACTING CHAIRMAN: That is purely a matter of opinion. Then we come to No. 9.

WITNESS: No. 9 reads:

"That the allowance in respect to dependent parent of disabled pensioner be increased to equal the award of a married pensioner."

That is covered, Mr. Chairman. Then No. 10—

"All Neurasthenic cases to be pensionable."

At the present time all the neurasthenic cases are not pensionable.

By the Acting Chairman:

Q. But they are taken care of by the S. C. R.?—A. They are to a certain extent. But the idea is this: That in shell-shock cases especially, the system that the Pension Board and the Government follow regarding shell-shock cases is that because one or two doctors state that the thing is functional, they could impose these conditions. We have in the London Asylum, the Montreal Asylum, and the Newmarket Asylum, shell-shock cases which, through the reaction, now are violently insane. Those fellows never did get a square deal in our opinion, because the doctors are supposed to know whether a man is physically well or not, and they are paid for that purpose, and one or two fellows tried to get away with certain things, and men who never left Canada are treated in the hospital for shell-shock; where they got the shells from I do not know.

The ACTING CHAIRMAN: 24th of May celebration?

WITNESS: But the idea of this, Mr. Chairman, the reaction at the present time is more acute among the neurasthenic cases than amongst any others.

The ACTING CHAIRMAN: I think the D. S. C. R. takes care of them.

Major BURGESS: I would like to read subsection (2) of section 29 of the Act—

"When in the opinion of a medical, neurological expert an applicant for pension or a pensioner has a disability which is purely functional or hysterical no pension shall be paid, but such member of the forces shall immediately be referred to a Neurological Centre for treatment. In cases in which the functional or hysterical disability disappears as the result of treatment the Commission may, in its discretion, award a gratuity in final payment not exceeding five hundred dollars but no pension shall be paid. When as the result of treatment the functional or hysterical disability has not disappeared a pension shall be awarded in accordance with the extent of the disability, provided the applicant or pensioner has not unreasonably refused to accept or continue treatment."

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It seems that is quite clear. If the man has a disability which cannot be cured he gets a pension for it. If it is curable—and a great majority of them are curable—they do not get pension, because they have no disability. The cases in the asylums are not shell-shock cases and cannot be classed as such. These are cases of insanity.

The ACTING CHAIRMAN: They are taken care of by the D. S. C. R.

Major BURGESS: Yes, and receive pay and allowances.

WITNESS: Some of these men have been put off because they refused treatment. We claim that some of them refused treatment because they did not know any better, and if the same treatment had been suggested to the men in this room, I think they would refuse it too—the electric brush and the wire brushes; and some of these men are just as good as the men that did take it, and some of them have refused treatment because they really did not understand, because they were not physically fit to realize what the treatment was, and they have been thrown out, and they are walking about now, and they are losing their minds now on the street, and they have no recourse only to put them in the hospital again. We will send concrete cases down if you wish. A man that is a physical wreck, and also wounded as well, as soon as his wound is fixed up, if he goes to the Pension Board, for his condition there is no pension. Men are being turned down every day. They are pensioned for their wounds, and as soon as the wound heals, although they are physical wrecks, they are told it is only nerve trouble, and there is no pay for it.

By the Acting Chairman:

Q. They can go into the D.S.C.R.?—A. The only recourse is for them to go to the hospital. Some of them do not need to go and they walk about and are shaking, and they cannot work and cannot get anything, and they are not physically fit to lie in bed.

Q. If a man is walking about and shaking he surely ought to go to a hospital? A. In some cases it is not absolutely necessary, the condition they are in. But these men went through what they did on the other side, there are doctors deciding on them that don't know what shell shock is, they do not know what they went through and they try to make it appear that it is something they can control themselves.

Major BURGESS: The witness stated that the men who refused this treatment were not awarded a pension. I would like to point out that before action is taken regarding a refusal they sign a statement that the nature of the treatment has been fully explained, and that they quite understand it; so that a man who is not physically or mentally able to understand the explanation would not come under that category.

The Acting CHAIRMAN: Those are cases the Committee will have to consider in any case.

By Mr. Morphy:

Q. I would like to have a clear understanding of what you meant when you used the phrase that there were soldiers shell-shocked who had never left Canada?—A. Well, Mr. Chairman, to clear that situation up, in the college treatment at the hospital, at one time before it was disposed of, they were neurological cases, and there were men admitted in there who never left Canada, and all classed as shell-shocked just because of a nervous breakdown.

Q. It was not real shell-shock?—A. Oh, no, neurasthenia.

By the Acting Chairman:

Q. Then take No. 11?—A. No. 11—

“Commutation of pensions of ex-members of the permanent forces as in England.”

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I would like to read a letter that I received from Temiskaming, Quebec, with your permission. The letter reads—

“Dear Sir and Comrade:

I respectfully wish to ask if you are sending any delegate to Ottawa this session. If you are, could it be arranged to bring before the Board:

(1) If the Permanent Force men being retired on pension especially those with 10 or 12 years' services, could be allowed to compute their pension for a lump sum if they are willing.

(2) If not, can they be allowed to compute 50 per cent, or a percentage to be fixed.

(3) I ask this as it has been done in England for years.

If so, I should like to get it myself. I have a plot of land in Toronto at Long Branch, and building is going on all round it and I should like to be able to get a store built there and get in first. I am not the only one. I think, Sir, it would benefit quite a number. One point in favour of the Government would be they would gain as well. Take men of only thirty years of age drawing pensions, if the Government offered them a lump sum they would not have to carry them on the roll for perhaps fifty years. If you can manage to arrange anything for us I am quite willing to give \$100 for you to do what you like with, that is if it is passed.

Thanking you for any consideration and yourself with good luck.

Yours truly,

C. J. Wesley Whitaker.”

The idea is that in England a permanent pensioner can commute a certain percentage of his pension. After a man has finished his service he is not disabled only according to his years, and he is in a fit physical condition and he is getting ten or twenty per month, whereas if he could get a lump sum to go in service and go into business, we feel he should be allowed to commute his pension.

WITNESS: No. 21 reads as follows:—

Full disability pension to be paid all blinded veterans, whether disability is directly or indirectly attributable to war service.

By the Acting Chairman:

Q. You mean who have gone blind in civil life?—A. I mean by that, that at the outside there are not many blind veterans in Canada resulting from the war—I do not know the exact number, but probably not more than two or three hundred altogether. One case especially that was brought to my attention last week, and which I have here, is that of a man who went overseas having been passed fit for service. He was in England for some time, when he had trouble with his eyes and was admitted to Wellesley hospital, Folkestone, England, and after a while in hospital, he was returned to Canada. Since his return to Canada he has gone blind, and you might say that for twelve months he has been at Pearson Hall for the blind, in Toronto, learning basket-making. He was discharged a few days ago and informed that his case is not pensionable, although he is blind. Of course, we are not blaming . . .

By Mr. Cooper:

Q. Can you give us the medical history of this case?

The ACTING CHAIRMAN: Well, if we have the case here we will look into it.

By the Acting Chairman:

Q. Have you anything else you want to say?—A. According to the present regulations of the Pension Board, unless this disability is attributable to war service, nat-

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urally there is no pension. We feel that, there being such a few blind, as long as a man has been on service and has returned, and where it can be proved that that condition is an effect of war disability, the least that the country can do for that blind man is to give him a full disability pension. There is a question always about proving whether a condition was due to service or not, and in this particular case which will be handed in, the doctor's . . .

Q. If you hand that case in, it will bring the whole question before the committee for consideration.

The WITNESS: No. 13 reads:—

That special committee recommend to Federal Government the advisability of negotiation with Imperial authorities on behalf of Imperial ex-service men now resident in Canada, to reimburse same for loss sustained due to exchange.

The ACTING CHAIRMAN: We will have to enquire what they will do about that.

Mr. MORPHY: We considered that before.

Mr. REDMAN: Those who are resident in Canada?

The ACTING CHAIRMAN: As to the committee, my memory is—I may be a thousand miles astray—that we confined that to the Imperial soldier who was a bona fide resident in Canada. This recommendation, as I understand it, applies to all Imperial soldiers.

Mr. REDMAN: It was negotiated with the Imperial Government.

WITNESS: No. 14 reads as follows:—

Pensions of deceased pensioners to be paid for one year after death to deceased's next of kin, to assist in paying sick and funeral expenses; where dependent children are left pension to continue for two years.

I might say on that, take a man of forty per cent disability drawing a pension for himself and wife and children, and when his death intervenes, the pensions are withdrawn, and there is nothing for the wife and children.

By Mr. Cooper:

Q. Do you mean where death is due to some other cause than war disability?—

A. Yes; and the suggestion of the association is that this committee consider whether it would be advisable not to grant a lump sum, but to continue the pension to the wife for one year after death. We find in the case of a lot of these ex-service men that because they have passed twelve months after their discharge without going under the D.S.C.R., they are supposed to be medically fit.

Hon. Mr. BÉLAND: Will the witness point out to the committee wherein the difference lies between this proposal and proposal No. 6? In No. 6 the witness is asking for the "payment of pension to dependents of those who died subsequent to discharge, when it has been determined that loss of vitality attributable to war service has been the contributing cause of death."

WITNESS: No, that would not cover it.

The ACTING CHAIRMAN: No. 14, is where death is not attributable to war service.

WITNESS: No. 6 refers to those cases where a man dies through pneumonia, fluë epidemic, or some other cause, caused through service overseas, where his condition is such that his vitality is lowered, and he is consequently more liable to contract these conditions which result in death. We feel that those cases should be pensionable.

By Hon. Mr. Béland:

Q. And the man who dies under those circumstances is not pensioned at all?—

A. No.

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Q. He was not disabled?—A. Yes, disabled, but not in receipt of a pension.

Q. Not in receipt of a pension before?—A. No.

Q. And in the other case he was?—A. In the other case, that is in No. 14, the man must be on a pension. The idea is this: In the case of pension for diseased pensioners a man is getting \$10 or \$20 a month and he dies. Before he dies, naturally he has to have a doctor for a while, and that doctor's bill has to be paid, also funeral expenses. If he is not taking treatment from the D.S.C.R., they, of course, cannot pay his funeral expenses, and the family have to pay them. We feel that by carrying on that pension for a year, the wife has got used to it, and when he dies there is no other sustenance for her. We feel it would cover the medical expenses.

By Mr. Cooper:

Q. Is your suggestion, that the pension be carried on at the rate the man was drawing, or at the full rate for the widow?—A. Just at the rate he was drawing; for his pension to continue for one year at the rate he was drawing, and in the case of the children, for two years.

"When pensioner is called up for re-board, that regulation allowance for loss of time, viz, \$5.00 be paid for each day or portion thereof."

I would like to state on that, that there is legislation that grants a pensioner \$5 per day when he is called up for re-examination for the loss of time. If he is employed he gets off work, and he is reimbursed for that. We find that instead of granting \$5 per day, if a man reports there at 11 o'clock in the morning—he leaves at 10 o'clock ahead of time—if he reports at 11 o'clock he cannot do his work because he has got to go right to the Pension Board, and he may be dealt with at 1 o'clock or 2 o'clock. He is paid \$1.50 for so many hours. That man has to lose a whole day's work. We find that he is being paid for the hours he is in the Pension office instead of for the day he has to lose to attend.

The ACTING CHAIRMAN: We appreciate that. What is next?

WITNESS: The insurance recommendations.

The ACTING CHAIRMAN: Here are the insurance recommendations. I shall read them. (Reads):

"Whereas it is desired by the Grand Army of United Veterans that the Returned Soldiers' Insurance Act should be administered in such manner as to adequately fulfil the purpose for which it was primarily designed;

"Be it resolved, that the Grand Army of United Veterans submit the following suggestions for the practicable consideration of your committee as necessary amendments to the above Act:—

1. "That the period during which applications may be received be extended from two to five years."

We have that for consideration.

2. "That no deductions be made from the payment of insurance in respect to the pension that may be payable to the beneficiary as a result of the death of the insured, and that Section 10 of the Act be so amended."

We have that for consideration.

3. "That the benefit of this Act be extended to the widows of men who fell on active service."

We also have that suggestion.

4. "That no discrimination be shown against former members of the forces not now domiciled in Canada."

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We also have that noted.

5. "That the insured be given the option of indicating payment of the amount of the policy in a lump sum to the beneficiary."

We have that noted too.

6. "In the case of an unmarried man or widower without children that the insured be allowed to stipulate the individual beneficiary."

We also have that noted. Now Mr. Marsh has quite a lot to say on the other matter. That is why I have run over the insurance recommendations. What is the next question?

WITNESS: This is on general re-establishment.

The ACTING CHAIRMAN: Go ahead.

WITNESS: (Reads)—

1. "Every effort must be made to adequately re-establish the ex-service men and women as fully as the finances of our country will permit. We adhere to the principle of \$2,000, \$1,500 or \$1,000 according to place of service, to be placed immediately to the credit of each ex-service man or woman, to be paid by the Government on application through organizations of ex-service men or women. This can be readily worked out by a reconstruction bond issue on Victory loan lines. Also, all war indemnities received by Canada must be ear-marked and applied, so far as is necessary, to cover the expense of re-establishment."

I may state that this clause is from the Dominion Convention of the Grand Army of United Veterans and from every branch throughout the country.

The ACTING CHAIRMAN: Now gentlemen of the committee, we passed a resolution when we first met, or when we met the second or third time, with reference to this, so we will pass on to the next.

WITNESS: Mr. Chairman, we understood that the resolution passed by the committee was that a cash grant or cash gratuity would not be granted.

The ACTING CHAIRMAN: It is as broad as it is long. You are only taking up our time in discussing it. We will pass to resolution No. 2.

WITNESS: (Reads)—

2. "On account of apparent reaction amongst ex-members of the forces due to service directly or indirectly, we advocate free medical treatment for a period of five years."

I would like to say, Mr. Chairman, that every society is coming across on this matter very forcibly at the present time. When the men were discharged after coming back from the other side, especially after the Armistice was signed, there were thousands discharged in a day, and their condition was not fully defined by their medical history sheets. We find that after a man came home, after three or four or five years on the other side, he was in some cases asked the question was he fit to go home. In fact, the man who had no legs at all was fit to go home, and because some of those men stated that they were fit to go home they signed off and went home. We find that in a lot of cases their condition is such that it is reported to the D.S.C.R. that because their medical history sheet shows a clear sheet they were discharged as fit, and they are supposed to be always fit no matter what might happen to them.

The ACTING CHAIRMAN: He cannot appeal?

WITNESS: He has no come-back. We find that men who were overseas for three, four or five years, who were for a year or two in all that mud, water and blood, with all the exposure they went through, and who were away from the influences of home—we find that in many cases it has taken two years for the reaction to manifest itself. We find these men fading away absolutely. Men are being admitted to the hospital

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every day though their discharge papers show that there was nothing wrong with them, but they are breaking to pieces. We feel that it would be a good thing for Canada, our own country, if for a period of say five years these ex-service men could have free medical treatment. They could report either to a private doctor under Dominion control, or to the D.S.C.R. with the machinery established at present, instead of having to look up their documents to see if they were fit when they were discharged. They should have another examination with a view to finding out whether they were war disabilities so that they could be put on a pension and treated as if they were human beings.

The ACTING CHAIRMAN: Under present regulations they have a year now. This suggests five years.

Mr. COOPER: Is that for all kinds of disability?

Mr. REDMAN: He gets it for war disability now.

WITNESS: The point is this: We find that a large number of returned men have been treated by private doctors for war disabilities because there is no system in Canada for bringing out the war disability if the period of twelve months has passed and it is not shown in the man's documents. We have a case in point in regard to that. Here is a copy of *The Evening Telegram* of February 11, 1921, with the account of a coroner's inquiry on the death of a soldier. There was a returned soldier named Walter Ward who had seen service in India and also served Overseas during this late war, and he lived at 523 Erie Terrace, Toronto. This man was invalided back from England with bronchitis and various chest troubles, on account of the climate exposure, and so forth, and he had been sick on and off ever since he came back. Finally he did not want to be bothered with the D.S.C.R., and went to work himself without bothering with them, and was taken seriously ill, and the D.S.C.R., gave instructions to take him to the hospital. This man was a real soldier, and he did not want to lie in the hospital. We have the reports of the various doctors of the D.S.C.R., and Mr. Ward was attending the chest clinic, and so forth, and they could not tell what was wrong with him; heart trouble and chronic bronchitis. We find that through a little error on the D.S.C.R. part he was ordered to go to the hospital. He had a notification, although he was bed-fast, to be prepared to be taken to the hospital, that the ambulance or car would call for him at a certain hour. He waited for it and it never came. He got out of bed and struggled to the hospital himself, and was in such bad condition there that the doctors did their best to keep him in the hospital, and not to let him go home. They had to have an X-ray on him, but he would go home and would not stay in the hospital, and they tried to keep him there and could not. Then they told him to go to the hospital again the next day, and he went there, and on his return home collapsed and was put to bed where he died. The G.A.U.V., took the question up as to negligence on the part of the D.S.C.R., as they thought there might be a hiding of the facts, and called for an autopsy on this man, called on the Attorney-General, Hon. Mr. Raney, and called for an inquest. The inquest was held in Toronto on the 11th February, 1921. The decision of the coroner's jury was that it was a natural death and natural causes, and his conditions were aggravated by war service, and in their opinion they would recommend him for pension. Of course they had no business to recommend him for pension, it was only a jury. Immediately after the inquest I was informed of the fact, and I made application in the regular way on behalf of the widow for a pension, and we got a reply only on Friday, and Mrs Ward, the widow brought this to my office—

"Madam"

Sergeant Wm. Walker Ward:

I beg to inform you that your application for pension on account of the death of your husband has received the consideration of the Commissioners.

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2. Under Section 11 of the Pension Act, pension is awarded in respect of members of the forces who have died when the death in respect of which the application for pension is made was attributable to military service.

3. After a careful study of all the medical documents on file, the Medical Advisory Board is of the opinion that there is no connection between your husband's death and his military service. The Commissioners have ruled, therefore, that you are not entitled to pension under the provisions of the Pension Act.

I might say on that, without the sanction of this widow, the D.S.C.R., realized they had made a blunder in not sending the ambulance for this man to take him to the hospital. He had to go out himself, and it was a dirty day, and they realized that a mistake was made, and they went to the widow, who was absolutely prostrated with grief, and I was at the house myself later, and these people asked the women to sign five copies of a sheet; she did not know what she was signing. She swore that on the witness stand, and they took the body away and performed the autopsy without consulting the widow at all. We were suspicious of the autopsy, and there was a further autopsy called by the Attorney-General of Ontario. It appears that when the Attorney-General had the autopsy performed the body was in process of being embalmed for two days, and we found that there had been this autopsy performed, and we felt that, although the pathologist who performed the autopsy, Dr. Silverthorne, is supposed to be a very good man at that sort of thing, we felt the body was not in a condition for Dr. Silverthorne to decide on the cause of death. We have the reports from the doctors through the press that his trouble had been asthma and chronic bronchitis, and he had been suffering for at least a year, and they made these statements; when they thought they were going to get in trouble at the hospital they did everything in their power to keep him in the hospital. They were afraid he was going to die there. He had a bad spell. We felt it should be a Government matter, and in the report of Dr. Silverthorne, who conducted the post-mortem, he discovered a little heart lesion, which he said insurance companies would not accept. Yet we find on his report that because there was a piece of this lesion broken away from the heart and got in one of the canals to the lungs, that a piece about the size of his little finger caused death. Dr. Silverthorne said that death would be caused when this happened within one hour, stating that before that hour Mr. Ward was a fit man, and this was the cause of death, although he had been taking treatment and was taking treatment from the D.S.C.R. for some time, and was in such a serious condition that they forced him into the hospital, and the decision was given on Dr. Silverthorne's authority by the Pension Commission here that this man was not entitled to pension. Dr. Silverthorne stated that a clot formed and filled the passage to the lungs, and the heart condition could not be detected by an outward examination because the rales drowned any heart murmur. This man was employed in the south of England as a drill instructor of the troops being sent over to France; he was discharged as a drill instructor, because on account of the asthma his voice gave out and he could not speak.

This man was discharged owing to his voice giving out, and he could not give the commands in the army as Instructor. Now, we find that on account of this second post-mortem the autopsy which was performed after the body had been in process of embalming for two days—the D.S.C.R. had performed an autopsy prior to that—we feel that the Pension Board should not decide against that on account of a technicality.

By the Acting Chairman:

Q. What do you say about his not staying in the hospital when they wanted him to stay?

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By Mr. Arthurs:

Q. What about the report of the first autopsy held by the D. S. C. R.?—A. The idea is this, that there was negligence on the part of the D. S. C. R. One of the officials of that department stated that because the Organization interfered in the widow's case they had prevented her getting pension, and he is an official to-day. Therefore, it is quite possible, Mr. Chairman and Gentlemen, that the autopsy of the D. S. C. R., for which they had no sanction from the widow, and for which there was really no need, was performed in such a way that the charge of negligence was proved, only this report of Dr. Silverthorn was in such a way that at the inquest it was shown that the negligence in not sending a car did not cause death.

By the Acting Chairman:

Q. I understood you to say that he walked there and they tried to get him to stay. Why did he not stay there?—A. That is not the point now, Mr. Chairman.

Q. That is all we know about it.—A. Of course, there is a point that his wife was sick also at the time and he wanted to go home. But the point we are trying to show is this, that his condition was such that he should have stayed in hospital. We are not blaming anyone for causing his death, because he should have stayed there. But he did not wish to stay there, and he did not wish to take any treatment for it.

Q. You have made a statement there about an official of the D. S. C. R. Will you leave us the official's name?—A. Johnston, in the Transportation Department.

Mr. PARKINSON: Mr. Marsh has made a couple of statements there. He first of all states, or infers, that on account of the Department the death of this man was caused; then he goes on and says that he is not blaming the Department for that death. I would like to have his statements cleared up, because they constitute rather a serious charge against the Department. On the other hand, I should like to be informed whether this man, after leaving the hospital, walked from Christie street Hospital to Greenwood Avenue, Toronto, where he lived, a distance of possibly six miles. Now, that is quite a long distance for a man to walk who was in a very serious state of health. I would like to point out that from the autopsy examination performed by the D.S.C.R. and from the examination at the Coroner's inquest afterwards, it was clearly brought out that death was due to natural causes. This man is an old soldier, and I am not in a position to answer him on this matter, but it was thrashed out in Toronto at the time.

The ACTING CHAIRMAN: I was going to suggest, Mr. Parkinson, that Mr. Marsh file his statement with the Assistant Secretary, and that it be transferred to the special sub-committee and they can thoroughly examine into it.

Mr. PARKINSON: I would like to ask that Mr. Marsh be asked to make a very definite statement as to just exactly what his assertions are, because he has mentioned things in an off-hand way to-day that might be taken to be very serious charges against the Department, and they are things which Mr. Marsh should be asked to answer for. As I say, this matter has not only been thrashed out by the Department, but at the Coroner's Inquest in Toronto. Something has to be taken as authority. I cannot answer him here, but I would ask that his statement may embody something definite that he is willing to stand by.

The WITNESS: In answer to that, Mr. Chairman, I might say that the Dominion Board of Directors of the G.A.U.V. are taking this matter up personally with the Government, and they are prepared to go the limit on this question, because they are well versed on what transpired.

By the Acting Chairman:

Q. What do you mean by that?—A. I might say, for the sake of the gentleman who has just spoken, that there was no charge made that the Department caused the [Mr. J. F. Marsh.]

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death. There was a charge of negligence on account of the car not appearing at the time, which was proved at the inquest. We do not claim, and never did claim, that it caused this man's death, but that there was negligence; and why the association took the case up was on account of the reaction. There were so many returned men falling down in different places, going sick at their homes, and there was a big demand on the various ambulances of the D.S.C.R. It is a Government institution for the medical treatment of returned men and we wish to safeguard the returned men, so that when an ambulance is to be sent, it should be sent instead of being used to transport officials of the D.S.C.R. around, as this car was, at the time when it should have been at this soldier's home.

By Mr. Morphy:

Q. I suppose the matter was gone into? But I would like to ask you a question: What was the reason why the car was not sent, and who was to blame?—A. The D.S.C.R.

Q. That is a broad statement, who was it? Did the D.S.C.R. get the request? A. Well, the D.S.C.R. made the request. They informed the patient to be in readiness and wrote a letter to that effect, that he should be ready at a certain hour. The patient was ready to go for examination, but the car was not there, so the patient went himself.

Q. Had he a telephone in his house?—A. No, sir.

Q. Now, who was to blame for the car not coming? You are blaming a body. What particular man was to blame?—A. That is not for us to say; that is for the local D.S.C.R.

Q. Who sent the request to him to wait for a car?—A. One of the officials of the D.S.C.R.

Q. You do not know who?—A. No, sir.

By the Acting Chairman:

Q. Who sent the letter to the man—have you got the letter?—A. No, that is in the possession of the Association. The thing in a nutshell is this: The inference may appear as a charge, as our friend just stated there, but the idea is this, that here is a soldier who died through war service and because it was not just so on his documents it is not declared a war service disability. Furthermore, on the morning of his death, an application from the neighbourhood was sent to the Headquarters of the Association demanding that we take some action because this car had not been sent at the time it should have been, and that the man had died.

Q. He walked to the hospital; why did he not stay there?—A. It was only for an X-ray examination.

Q. But they asked him to stay there.—A. They claim that they asked him to stay there. He was not going there to be a patient at that time; he was going for an X-ray examination of his chest and the demand was made that an investigation be held into the various conditions which led up to his death. This investigation was held. My duty as Secretary of the Association, as soon as his death occurred, was not to look after the dead man, but to look after the widow.

With the dead man in the house, it was up to me to find out which department was responsible for the funeral of that man. Immediately, I got into touch with an official of the D.S.C.R. who was in the medical office, Mr. Stokes. I asked Mr. Stokes if they had a report on this man, whether he was a war disability or whether he was not. He went through the files of the late Mr. Ward, and he informed me that a call had been sent in to the D.S.C.R. for medical treatment for Mr. Ward two weeks prior to the date of his death. This call had been sent to the D.S.C.R. for a doctor, that there was a soldier very seriously sick. A visit was made by a doctor. Then the files had to be looked up. Because, he was not under steady treatment by the D.S.C.R., his

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fyles were detained in Ottawa, so the D.S.C.R. got into touch with Ottawa to get Mr. Ward's fyles. It took them two weeks and Mr. Stokes informed me four hours after the death of Ward that the documents had arrived from Ottawa granting treatment to Mr. Ward after he died. That is Mr. Stokes' statement from the D.S.C.R. that he got the sanction to give Mr. Ward treatment four hours after his death. You can infer what treatment he would require then. Mr. Stokes informed me as an official of the Association that Mr. Ward was to be placed on pay and allowances for the past two weeks. Referring to his documents, they found that he was a war disability. According to the D.S.C.R. therefore, he would be placed on pay and allowance which would be retroactive for two weeks. It made him a war disability and there is no pension for the widow.

By Mr. Sutherland:

Q. Can you inform the Committee whether Mr. Ward asked for a conveyance to take him home or whether he was offered one?—A. I believe that he had been at the hospital.

Q. If he had been at the hospital and insisted on going home, did the D.S.C.R. offer to take him home?—A. I believe it was his own fault that he walked home. But that is not the crux of the situation.

By the Acting Chairman:

Q. What you want is a pension?—A. What we are after is not really an investigation of any department. But there is either a department or red-tape of a department which failed there; there is no doubt about it. What we want is a pension for the widow when it is shown that he was to be placed on army pay and allowances for the two weeks that he had been under treatment by the D.S.C.R. It appears that nothing could be done for that man, only temporary treatment until his documents were produced. The D.S.C.R. sent for the documents, and they arrived and they wrote that he was a pensionable disability, and yet when he died he was not a pensionable disability.

The Acting CHAIRMAN: I am sorry that time is up.

By Mr. Morphy:

Q. Had he any dependent children?—A. No, not in this case.

Mr. PARKINSON: In connection with Mr. Ward, Mr. Marsh says that sanction for treatment arrived four hours after his death. Now Mr. Ward had been receiving treatment from the department for sometime prior to that. Another point is this: Mr. Marsh points out that Mr. Ward was receiving treatment there as a war disability. Quite true, but I would like to point out that at the coroner's inquest it was pointed out that the man's death was not attributable to war disability, but that he died from a heart lesion. He died from causes other than war disability for which he was receiving treatment.

The Acting CHAIRMAN: Mr. Parkinson is quite right. You have been telling us that he was being treated by the D.S.C.R. and that yet he received sanction for it four hours after he died.

WITNESS: The point is the treatment to be given was what they call O.P. and he was to get pay and allowances for the treatment then given.

The Acting CHAIRMAN: The recommendation we have been discussing is No. 2, and the list runs up to No. 11. Shall we hear Mr. Marsh further to-morrow; or shall I read the other items and see what there is in them?

Mr. MORPHY: I think we ought to finish them now if Mr. Marsh can go on.

WITNESS: I may say that some of these items will probably take time.

The Acting CHAIRMAN: Then we had better adjourn.

The Committee adjourned until 11 o'clock a.m. to-morrow.

[Mr. J. F. Marsh.]

APPENDIX No. 2

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

WEDNESDAY, April 6, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of returned soldiers, met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Power, Redman, Ross, Savard, Sutherland, Turgeon, and Wilson (Saskatoon),—20.

The CLERK: I have here Mr. Chairman, one or two communications. First, from Mr. Redman, addressed to the Chairman, with reference to pre-war aliens in Canada, now returned, applying for naturalization, which reads as follows:—

“I wish to draw to your attention the existing situation in regard to the naturalization of certain soldiers resident in Canada. These might be divided into two classes:—

“First—Those aliens who resided in Canada previous to the outbreak of the war, who served in the C.E.F., returned to Canada and applied for naturalization.

“In regard to this class I understand that provision has been made in the Act so that their term in the C.E.F. would count as residence.

“Second—The other class includes those alien residents of Canada who at the outbreak of war enlisted in the armies of the land of their origin, being allied armies, and who served in such army for varying periods.

“These men on their return to Canada are unable to be naturalized, or naturalized promptly. In some cases their service overseas exceeded three years and consequently they are not able to say that they have resided in Canada for five out of the last eight years.

“In other cases under the existing law they in any event lose the time of their service in allied armies.

“I have written Mr. Mulvey in regard to this and enclose herewith his reply. I know a number of cases falling in the latter class who are anxious to be naturalized and I think it is quite within the scope of our power to consider this situation in which an obvious injustice is being done to this class of soldier.”

This is the reply from the Secretary of State.

The CHAIRMAN: Well, the Secretary of State simply suggests that an amendment to the Naturalization Act might be made to cure that defect. Is there any evidence that we should hear Major Redman on that point?

Mr. REDMAN: No.

The CHAIRMAN: Then it will be placed on file to be considered by the Committee when they are considering their report.

The CLERK: Then there is a communication to be considered in connection with clause 9 of Mr. Pyper's evidence.

The CHAIRMAN: This is a letter from the Assistant Director of Vocational Training, with regard to one of the recommendations brought before us by Mr. Pyper. That I think can be placed on file to be taken up when we are considering those recommendations.

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The CLERK: No. 3 is a reply by the Deputy Minister of the Interior relating to section 12 of Mr. Pyper's suggestions regarding residential duties applicable to land settlement.

The CHAIRMAN: That also can be considered later. It gives us the information, doubtless, that we wanted to get on that point. I do not think it need be read now as it will have to come up when we are considering our report.

The CLERK: This is one which might be referred to the Sub-Committee on Special Cases. It is a protest against the ruling relating to War Service Gratuities.

The CHAIRMAN: This communication is sent to us by the Assistant Director of Pay Services. It involves a ruling as to payment of war gratuities. It is a special case, although some general principle may be involved. I would suggest that in the first place it be referred to the Sub-Committee on Special Cases so that they can look into the case and let us have their ruling.

The CLERK: The last communication, Mr. Chairman, is one from the Army and Navy Veterans of Canada, Victoria, B.C., containing fourteen resolutions relating to Pensions, Insurance and Re-establishment.

Mr. NESBITT: That will be considered when we are considering our report.

The CHAIRMAN: They do not ask for representation. I understand Col. Thompson wants to appear.

Mr. NESBITT: We can hear Col. Thompson, so far as that is concerned, at any time.

The CHAIRMAN: Yes; I think that can be deferred.

Mr. NESBITT: I would like to make a motion, Mr. Chairman. I would like you to apply this afternoon, if you can, for leave to sit while the House is in session. This is not with reference to the main Committee; it is more with reference to the Sub-Committee. We, the Sub-Committee on Special Cases, are forced to sit at night to consider these special cases, because we have no time in the day time, or else in the afternoon when the House is in session. So that the reason I ask for this privilege, Mr. Chairman, is on account of the Sub-Committees, not on account of the main Committee, because being part of the main Committee, it is necessary for us also to have this privilege. I therefore beg to move that you ask the House that this Committee may have the privilege of sitting while the House is in session.

Motion agreed to.

The CHAIRMAN: Now, we will have a continuation of Mr. Marsh's evidence, if he is here.

Mr. J. F. MARSH, recalled.

Mr. NESBITT: We finished clause 2. of these general re-establishment proposals.

The CHAIRMAN: Then we will go on with No. 3. It reads as follows:—

"The Government to provide employment for all disabled men whom examining boards have declared unfit for work, other than light positions." That is, I think, a variation of a recommendation we have already considered.

Mr. NESBITT: By the Great War Veterans Association.

The CHAIRMAN: Yes.

Mr. NESBITT: That comes up under the subject of tuberculosis business, Mr. Chairman. I therefore suggest that we pass it along for consideration by the Sub-committee.

[Mr. J. F. Marsh.]

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WITNESS: I might say that the idea of this suggestion from the Grand Army of United Veterans is to assist partially disabled men. There are a large number of partially disabled ex-service men receiving only twenty or thirty per cent pension and they are advised by their medical men to do nothing but light work, and they cannot get this light work. There have been several resolutions sent to you before, pointing out that there are positions in the Civil Service occupied by some girls who are not entirely dependent on their salaries which might be reclassified with a view to placing some of these men in their positions, whose pension is not adequate to keep them.

By the Chairman:

Q. Then I take it your suggestion goes so far as to ask for the dismissal of permanent civil servants at present employed, so as to throw their places open to these disabled men?—A. Yes.

By Mr. Morphy:

Q. I suppose your request is not entirely confined to the tubercular soldier?—A. No.

Q. Can you give us other cases than that which would fall under your present request?—A. Yes, sir. A man with an arm or a leg injury—especially an arm injury—a head injury, and various kinds of injuries that only call for a small pension. Then there are nerve cases as well, cases of neurasthenia; most of the neurasthenia cases are not on pension at all. But some have other complaints, and these men are not fit to carry on any heavy work. They are advised by the doctors not to do so, but they cannot find any other occupation.

Q. Can you give us any idea of the number that fall under that category, within your own knowledge?—A. No, I could not say.

Mr. COOPER: There are a large number; many thousands.

The CHAIRMAN: No. 4 reads as follows:—

“Arrange facilities for medical boards on account of re-action for all ex-service men and women making application and who were discharged A. 1.”

Mr. NESBITT: That comes under the D. S. C. R. and the Pension Board also, and according to them, under certain conditions, they can apply to the local physicians and if the local physicians say that they should have re-examination, they get it. That is already provided for.

WITNESS: To enlarge briefly on that, I may say that what is asked for by the association is that all ex-service men where necessary, should be medically re-examined. The conditions that appertain to these cases at the present time are such that after twelve months have elapsed since their discharge, they are not considered war disabilities. But we find that on account of the re-actions throughout the country at the present time, these men are falling down, and the first thing that is done when they report to the D. S. C. R. or any other institution is that they get immediate treatment where necessary, but they have to hunt up their discharge papers, and there is nothing on the discharge papers to show how the disability was caused, or whether it was aggravated on service, and no allowance is made for the re-action which is apparent to-day.

The CHAIRMAN: Can any officers of the Pension Board or the D. S. C. R. tell us what the practice is in cases such as the witness is describing?

Dr. ARNOLD: Yes, a man who has been discharged for one year, as Mr. Marsh says, is not entitled to treatment as a war disability, but if he applies for treatment his papers are examined, and each case is given individual consideration. If the papers show that his condition is not due to service he is told that if he can substantiate

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his claim, that is, if he can bring any responsible evidence to show that his disability originated on service, his case is re-opened, it is given very careful consideration and if his claim is substantiated he is given treatment.

The CHAIRMAN: This resolution appears to go only as far as a medical examination. Can these men be medically examined when they make such an application?

Dr. ARNOLD: They must be in order to determine their status.

By the Chairman:

Q. Does your resolution, Mr. Marsh, go further than that?—A. It states there "Medical Boards", that the Medical Board will decide whether the returned man would get a pension or not. But the procedure that is unsatisfactory, so far, is that when these cases, even in the individual case which the doctor refers to, after the examination is made, the findings are sent down to Ottawa, and almost invariably there comes back from Ottawa the reply "We have searched your medical documents and find no trace of your condition being a war disability." Because there is nothing on a man's discharge papers about his disability, there is no opportunity for him now. We find these men falling down, and they are war disabilities, men who were three, four or five years away and are physical wrecks to-day. In some cases it has taken one or two years for the re-action to show. They cannot work, and there is no provision for these men.

Q. Is there a large number of these cases?—A. Very large.

Mr. NESBITT: I would suggest that the Assistant Secretary take a note of it and bring it up when the Committee comes to consider this matter.

The CHAIRMAN: I understand from the Patriotic Fund Committee that they have found an increase in this class of case, and if there are any suggestions which the officials of the Pension Board or of the D. S. C. R. can make to this Committee for dealing with this class of case, we would welcome them. It is a difficult problem and it is apt to be a very large problem. I think it is one in regard to which we should have all the information and advice that can be had.

Major BURGESS: So far as these cases are concerned, they are being considered. We are considering them every day. Where a man is discharged as fit and now claims war disability, such cases are all considered. For instance, I saw a pension awarded yesterday to a man who had been discharged for three years.

The CHAIRMAN: Discharged as fit?

Major BURGESS: Discharged as fit. These cases must all be considered on their merits. I would not like the Committee to think that because the men's documents do not show any disability their cases are shut out. That is not the case. These men are told "There is no history of your having this disability during service," but the explanation is given to him and he is requested to furnish any evidence he can. He is told that if he has had a disability for some time to bring some proof of that and substantiate it by a medical certificate and his case is then considered. Our district offices are put on these cases and asked to investigate them along the same lines. They are not shut off.

Mr. MORPHY: Does your district office answer the request contained in this resolution that a medical board be arranged for?

Mr. BURGESS: Yes, sir.

Mr. MORPHY: Mr. Marsh wants them all over the country not at Ottawa; is that the idea?

Major BURGESS: They do that.

Mr. MORPHY: Then can you give any answer to show that there is or is not anything in what Mr. Marsh is asking for here?

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Major BURGESS: As I read that—I have only glanced at it—it seems to me that he is asking to arrange for facilities on account of re-action for all ex-service men. I take it that he wants every man who was in the army to be examined.

The CHAIRMAN: No, no.

By Mr. Morphy:

Q. What do you want Mr. Marsh?

WITNESS: I would like to try and make that point clear. When the men came here from the other side, sometimes battalions at a time, large numbers of men were discharged each day for a considerable time. These men, after being away for three, four or five years, were asked the question if they were fit to go home. Why, there was only one man in 100 who was not fit to go home. They were all fit to go home, but these men cannot get back again. We find that a lot of those men were discharged as A1 who should not have been discharged as A1. There was no ruling principle. Too many were discharged at one time. No one was to blame for that; it was due to the circumstances. Most of them on coming back tried to stick it out and re-establish themselves. We have found these conditions. After twelve months have elapsed, no matter what might happen to the man, he is not considered a war disability. We find that a civilian or an individual went fishing one Summer or Fall and got his feet wet, and in a year or two developed rheumatism. He could always trace it back to when he got his feet wet. These men are in a deplorable condition, and there is no allowance made for them. You are going to find very few men who will want to go before a medical board unless they are sick. They are not going for fun. They are real men, who fought, but since they came back they are not being treated as real men.

By Mr. Morphy:

Q. You are asking that this Government should arrange facilities. What facilities do you want?—A. Getting down to a fine point there, what would cover that I believe would be for the restrictions to be lifted, so that every returned man who feels he had a war disability and cannot carry on his work can be examined, and that the twelve months clause be eliminated; instead of twelve months make it five years or even indefinite.

Major BURGESS: It has been carried out every day; when the men were demobilized, they were all asked: "Have you a disability?" If the man claimed a disability he was boarded on what we call the Long Board form, and his case automatically came to the Pension Commission. If he said he had no disability,—“I am perfectly fit,” he was boarded on the Short Board form; although it was required that the man be fully examined, it was only an examination by question; he was supposed to have his chest examined and his whole body examined.

Mr. ARTHURS: As a matter of fact he was not so examined?

Major BURGESS: We are led to believe that. I am stating the facts. The man signed a statement to the effect that the board was satisfactory. We never saw these people until the man complained. If a man writes in—say a man writes in three or four years after a discharge of that kind, we feel the onus of proof is on him. If he writes immediately after discharge, or within a reasonable time, say a year, we immediately have that man examined. The facilities as asked are arranged for and the man is examined. If it is a long time after, three or four or five years—we have a great many of them—the man is forwarded a blank form and asked to have it completed by his own physician, establishing his condition. If the certificate shows something wrong with him, and there is a remote possibility that his disability is connected with his service, he is re-examined and complete investigation is carried out by our district officer. I maintain that those facilities are arranged for and are being carried out every day. I am very closely connected myself with that branch of the work and am handling that class of case every day.

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Mr. MORPHY: Do you know of many refusals in your Board to re-examine?

Major BURGESS: We never refuse, sir, until investigation. The man always gets a chance to present his case.

The CHAIRMAN: Would you say there was any large increase in these applications?

Major BURGESS: Oh, there has always been a percentage of them. I do not think there are as many as there were, but Mr. Marsh's organization has brought such cases to our attention and I am sure he is satisfied we have dealt with them in the proper manner.

WITNESS: The point is this: that if a returned man believes, in his own mind, he should have a pension and he appears to be honest,—he feels he has some disability,—if that goes up to the Pension Board at the present time, he cannot have a board; he is told to get a medical certificate from the doctor, and, of course, that was a very good point in the first place; but it caused serious hardship on these returned men who are "broke." Thousands of them are "broke" and they cannot get a pension board, if they have never been on pension, unless they get a medical report. It costs them \$5, and they have not got it, and we have to pay it out of our own pocket, but it is reimbursed if the Pension Board finds there is a disability which warrants pension; but until then they cannot get a pension board.

By Mr. Brien:

Q. Have you found any place in the country where the doctor refuses to examine a returned soldier?—A. Yes.

Q. What cities? Hamilton or Toronto?—A. In several places. This report must be from a medical practitioner, away outside of the service altogether. It must be a medical practitioner, and some of these men will not examine our boys unless they see the money for it first.

Mr. NESBITT: I must say that in our experience in our town any returned soldier can be examined without any charge whatever, without the slightest difficulty by men outside of the Pension Board altogether.

Major BURGESS: I was going to say that is largely the experience which we have. I have seen case after case where a man is examined by a private physician, and he refuses to accept any fee, not only from the man himself, but from any source. There are many cases such as that. But I want to point out that the man is only sent to his own doctor in cases where he has been discharged for a great length of time, and where there is no evidence whatever in his medical history that he had any illness during service. The factor of importance is the length of time between discharge and the time he complained.

The CHAIRMAN: We have had this point up on more than one occasion, and you will remember, I think, that the Committee agreed that it was perhaps a wise precaution that if the man had been discharged as fit and had been apparently fit for a number of years, before he could get examination by a governmental expert he should at least produce a certificate from a private physician endorsing his statement. It is a precaution which perhaps bears hardly on the man who is asked to pay; and apparently he is asked to pay in some cases. He gets a refund of that fee if his case is substantiated, and if not, he loses the fee. That is a matter for our consideration, I should think.

Mr. NESBITT: It comes under the five year extension clause of the Act.

Mr. COOPER: If Mr. Marsh has a specific case he might put it before the Subcommittee, and it might be examined into.

The CHAIRMAN: Mr. Marsh will make a note of the special cases and we will take them as examples.

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Mr. CALDWELL: I had a case along the line of Mr. Marsh's argument. Perhaps this is not the time to take up the time of the Committee with it, but I should like to bring it to the attention of the Committee when it is under discussion later.

The CHAIRMAN: Let the Sub-committee have the particulars of that particular case, so that it will be partially digested for us.

Mr. CALDWELL: I had it before the Special Committee last year, and it was disallowed, but I am going to bring it up again, because I feel this man has not got justice.

Mr. BRIEN: Did your New Brunswick doctors refuse to examine him? (No answer).

The CHAIRMAN: Then No. 5—

“Adequate compensation for deserted wives and families of ex-members of the forces.”

That has been submitted in several ways. I do not know that there is anything new.

WITNESS: With your permission—About a year and a half ago, there was a returned soldier by the name of Dempsey. Twelve months elapsed when his mind began to give way with the re-action, and he became apparently mentally unbalanced; he lives in Toronto, has a wife and four children; he was placed in the hospital with neurological cases, and transferred later to Newmarket for insane cases, and was afterwards transferred to London. On his arrival there within a short time he got on a freight car and got home full of coal dust; he was being returned with an escort of the D.S.C.R. to the London asylum. Whilst the train stopped at Hamilton, Dempsey suddenly disappeared from the escort. Whether the escort was asleep or not I do not know; but he disappeared and has never been seen since, and the wife gets no pension, although he disappeared whilst in charge of an official of the D. S. C. R. That case has been taken up in many ways, and it just appears to be a case of passing the buck between the Pension Board and the D.S.C.R., and I might say the patriotic associations have helped considerably in this case, and are making a temporary allowance until something can be decided, but it has taken a long time to decide it. There are other similar cases where, on account of the condition of the men, they have deserted, some of them deliberately, and some not deliberately, owing to their mental condition. We do not know where they are, whether they are alive or not. Numerous cases have not been heard of for a certain length of time, and the widows are informed that they will have to wait the necessary amount of time till he can be declared dead. In the meantime these people have to live.

Mr. NESBITT: Your Sub-committee is making a report on this to the main Committee.

By the Chairman:

Q. I would like to ask Mr. Marsh, does the recommendation go so far as to suggest where it is known that the husband is still living, that the wife and family should be pensioned or helped by the country in some way other than by the patriotic fund?—

A. Yes, under certain conditions. Of course, there are conditions which would not warrant perhaps some assistance, but I believe the only condition that would not be applicable there would be where it was proved the man was deliberately staying away to have his family supported, which would be very rare. We take it that in every other case, no matter what the conditions are, the wife and the children must be taken care of by the country when the cause of these conditions is war conditions. The men are not the same as before. They have not the same stamina or the same temperament, and certainly these are all war conditions and the women and children should not suffer.

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By Mr. Edwards:

Q. Suppose you had a case of a soldier discharged physically A 1, perfect physical and mental condition, and two or three years after his discharge he deserted his wife and family—would that make a case such as you want a pension applied to?—A. No, sir. In a case like that we would be satisfied if there was legislation elastic enough to cover conditions where they do arise, so that it would be in the discretion of the Pension Board.

By Mr. Morphy:

Q. How would you treat a case like this, where a man deserted his wife—assuming there are no children;—owing to improper practices on her part, he refused to live with her and he left her?—A. A case like that would of course not have the sanction of any soldier's organization. What we are asking for—I might say that at the present time it is impossible for any pension to be granted to a deserted wife. We all know there are some cases that deserve pension. If the law is made elastic so that these cases can be covered we will be satisfied.

Q. Follow that up for a moment. Take the same case where a woman had children, what would be your attitude even if she were guilty of impropriety?—A. What is that again?

Q. Where the husband deserted the wife on account of impropriety and the wife had children by him?—A. Well, we would take that stand—of course the condition would not matter in a case like that. If it were on account of impropriety with the wife we would not have that up at all.

Q. The children are innocent; they have done nothing?—A. They would come under the province. I might state one case—I have not the name; we are taking it up at headquarters at the present time. A lieutenant of the Eaton Machine Gun Battery, Lieut. Murdock, who was shot in the eye overseas at the front, and invalided back home. He was put on the train at Halifax, N.S., to be sent home, about two years ago, but he has never arrived home yet. He was wandering about England for eight months, put in the hospital, mentally unbalanced, and there is no provision by the Government for the wife and family. He was known to be mentally deficient when he was put on the train by the escort and no one has seen or heard of him since.

By Mr. Edwards:

Q. Does your case amount to this, that you would provide a pension for a deserted wife where her husband's desertion of her was plainly attributable to a defective physical or mental condition on his part. You would have to establish that the ex-soldier was mentally or physically deficient?

The CHAIRMAN: Or morally.

Mr. COOPER: That is too big a subject.

By Mr. Edwards:

Q. Is that what you mean?—A. That would pretty well cover the point.

The CHAIRMAN: No. 6, reads as follows; it is in four subsections:—

“The appointment of a Re-establishment Committee in each military district, same to be a fully representative body with power to grant loans similar to those in vogue in Australia and New Zealand no interest to be paid for two years, after which interest of 5 per cent per annum.

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(a) This would enable veterans who have contracted legitimate debts on account of unemployment or sickness to overcome same.

(b) It would enable veterans who have lost their business on account of service to again become re-established in same.

(c) It would enable veterans of the professional class who have lost their clientele on account of service to again assist in building up their practice.

(d) It would enable veterans who are married to provide homes of their own, to endeavour as far as possible to eliminate unnecessary home worries and thereby assist veterans in becoming self-supporting and still worth citizens at the same time helping to solve housing problems."

That is a large question on the general point of making loans; we will have to consider that.

The WITNESS: I might say, Mr. Chairman, that it refers there to a system in vogue in New Zealand and Australia.* The Government of Australia seems to have been the pioneer in establishing a system of loans and grants to ex-members of the Forces for establishment in business, purchase of furniture, purchase of tools, and for the erection of houses. There are very careful restrictions to prevent abuse. In Australia a loan of \$730, in special cases increased to \$1,381.66, may be made for the purchase of a business to widows with children, to an incapacitated married soldier, or to a soldier who has lost his business through enlistment. In New Zealand, loans to a maximum of \$1,500 for the purchase of a business may be granted. But men who are earning equal to their pre-war earnings, or who are already settled in business, or are able to finance themselves, are not eligible. Married men, or men with dependents who are employed or established in business, or soldiers' widows, may obtain a loan up to \$250 for the purchase of tools and furniture. Apart from this there is for a discharged soldier requiring tools a gift of \$48.66; for further tools required, a loan to the extent of \$243.33; and a loan of up to \$170, for extra furniture and a gift for a discharged soldier of \$129.83 for furniture, besides the loan. We feel that there are many returned men in this country who gave up their businesses and for five years helped in the defence of the Empire. They have lost these businesses. Of course we cannot go into all this now as we would not have time, and it is a re-establishment problem. We have a number of professional men in our organization who lost their clientele, and they are back home struggling and trying to get their practices again which were taken by some one else. We have the soldier business man. We have, unfortunately, one of our own comrades who gave his business up to go away overseas. Now he cannot get a job and is labouring at the present time. Another man lost his

* Statement submitted by T. O. Cox, Director of S.A. & A.P. Branch, Department of Militia and Defence, Ottawa, relative to the matter of loans to ex-members of the New Zealand Expeditionary Forces by the New Zealand Government:—

These statistics dated January 20, 1921, are as follows:—

	Cases	Expenditure
Business.. . . .	4,760	£1,079.980
Household furniture, tools, etc..	10,636 }	628,567
Other assistance.. . . .	4,025 }	
Total expenditure.. . . .		£1,708,547

The statement, from the same source, as to the matter of loans advanced to ex-members of the Australian Expeditionary Forces by the Australian Government, up to and including March 31, 1919, is as follows:—

	Cases	Expenditure
Household furniture.. . . .	4,441	\$311,306
Business.. . . .	955	255,091
Total expenditure to March 31, 1919.. . . .		\$566,397

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business only a few weeks ago on account of this unemployment—a man in the city of Toronto. We feel that the Government have always stated when we have asked for a gratuity or some other form of re-establishment, they do not want to take it up, they do not want to talk about it—there is no money; while they do not stop to pay lots of this money out for other things, that could be used for the returned men.

By Mr. Morphy:

Q. For what things?—A. One thing in particular: The Union Government did not consider any objection to raising the money to provide different concerns for selling goods to Greece and Roumania. For one instance, fifty million dollars was voted by the Government to allow Mr. Chaplin, Mr. Elkin, Mr. Lalor, and the Hon. Mr. Ballantyne to sell goods to Greece and Roumania, to re-establish Greece and Roumania with plant and such things.

By Mr. Cooper:

Q. That gives work to thousands here, does it not?—A. There is one thing it did—it sent our commodities out of Canada and helped to “boost” the prices when these necessities left the country. But there has been no interest paid on these loans and we feel . . .

By Mr. Douglas:

Q. How do you know that?—A. That is all right; we know that. But the point is this, that there are returned men, Canadian soldiers who should be considered in a loan for houses. We find that owing to this unemployment situation a large number of returned men, at the present time, are in debt. Some of them have lost their homes. I might say that I have been under arrest myself this winter for placing a family back into the house after the bailiffs had thrown them out. And there have been other things like that happen. These men have got into debt; they have invested their little gratuity, that was granted to them when they came home, in property, in a home, and we find now, through no fault of their own, they have lost these homes. They are back on their payments and the high rents prohibit them having their home. And we feel this would assist them in a business, and give them a chance against the alien enemy that is running these businesses to-day.

By Mr. Arthurs:

Q. Have you any figures showing the amount that has been loaned by Australia or New Zealand to returned soldiers; that is the total amount?—A. No, we are waiting for that now, it is on the way.

The CHAIRMAN: There is a note on this sheet from which Mr. Marsh is reading that from the King's Fund in Great Britain there has been disbursed \$6,250,000. That fund has been closed. There appear to be no figures from Australia and New Zealand. Have you any estimate as to what this would involve to the finances of the country?

WITNESS: In answering that in a round about way, I claim that it is hardly fair to ask what the amount would be approximately, for the simple reason that we cannot dictate to the Government as to whom they will grant this loan or as to whom they will not. At the same time, we would suggest that the machinery which is in operation at the present time for the Land Settlement Scheme would be available, and there is also the Government Employment Service throughout the country. There is this Government Employment Service, and there is legislation, I understand, or Advisory Industrial Councils throughout the country. Now this legislation has not been taken advantage of as it might have been. The Federal authorities did their part in providing the legislation. But these Industrial Advisory Councils in different parts of the country, in the military districts we will say, four or six districts in Canada, would be in touch with local conditions. Then there would be no call for the Government

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to say that some of the returned men could not handle a few thousand dollars, or something like that, which they have done. They would go into each case and advise them whether the loan should be used for a home or for an occupation and such like. We advise that an industrial council be formed and until such time as this is formed these loans could be administered by the Employment Office Service throughout the Dominion which is under Government control.

By Mr. Turgeon:

Q. Would these loans apply to any industry which the soldier might want to take up, such as fishing? Would they apply to fishermen?—A. Yes, sir.

By the Chairman:

Q. These advances are to be by way of loans I understand?—A. Yes, sir.

Q. What provision do you suggest for their repayment?—A. Of course, there could not be the same security as there is in the Land Settlement Board. But the suggestion is that for the first two years there would be no interest, no forced interest, but after the first two years an interest of 5 per cent per annum be imposed until it is paid back.

Q. That is, it is to be repaid in 20 years at an interest of 5 per cent?—A. Yes, sir.

Q. As you state, in many cases there could be no security whatever.—A. No, sir. We feel that the security of the returned soldier is his service to his country. The security is the whole Dominion, which is represented by the soldier.

Q. I think you are using wrongful terms. The service rendered may be the obligation but not the security; nor can the security be the whole country. The whole country may raise the money. What I am trying to discover is what recommendation we can make to Parliament showing that there would be some security for those advances.—A. Well, sir, in the case of a loan for a married returned soldier or sailor to build a house he has the equity in the home. There would be security in the home, and in a business there would be a chattel mortgage for the Government. I do not think there would be any difficulty in the security.

By Mr. Edwards:

Q. What security would there be in the case of a doctor establishing a practice?—A. If he were a surgeon, he would have the instruments, but I do not think it would require very much security for a doctor who went overseas, for the doctor who went overseas must have been a good doctor in order to operate overseas and he is a better doctor since he came back.

Q. Then you would not think he would have much difficulty in re-establishing himself?—A. Not if he had an opportunity.

Q. You think that there are doctors who are better men than when they went overseas and are able to re-establish themselves in practice? Have you had any applications from such men?—A. The point is that there are medical men, like all professions and trades, who have to compete with the established practitioner. Some of these men were away for five years, and some of them are back. We find that some young medical men are attached to the D.S.C.R., and when the strength is cut down these men are thrown out, and they have no practice. They have to build it up from the beginning.

Q. There are the men who remained here?—A. No, the medical men who went overseas. There were a large number of medical men who went overseas and were used in administrative offices. They are back now. Quite a large number of those men who went away were medical men who had recently graduated, who received their commissions and went overseas with the boys, and now that everything is over they have to build up a practice again. They lost their practice when they went away.

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By Mr. Cooper:

Q. What would you say about a lawyer?—A. That is covered by the term “professional men.” The lawyer is just the same as the others.

By Mr. Edwards:

Q. What about the case of a young farmer who gave four or five years of his life to the service of his country during which time his farm was not operated? His production and income cannot be estimated. The young farmer comes back after giving four or five years of his life and finds other young farmers who remained at home riding around in automobiles, fellows who did well while he was overseas. What are you going to do to re-establish him?—A. I understand—if I am not correct I will stand corrected—that his case can be adjusted under the Land Settlement Scheme. He can borrow to the extent of about \$6,000. His case would not be applicable under this scheme for he would come under the Land Settlement Scheme. The Land Settlement Scheme is the only scheme in vogue at present for those farmers.

By the Chairman:

Q. Now we come to No. 7, which appears in Mr. Marsh's list as No. 6—

“Compensation for parents who have lost sons on active service.”

A. On compensation for parents who have lost sons on active service, I might say that there are quite a number of parents, both middle-aged and aged parents, that have one or more sons, and because the father and mother were alive when the boy went overseas, no separation allowance was paid, neither of the parents being dependents. In this case we refer to, where the son has been killed overseas, we find that the parents of this son had educated him, had put him through college, may be, in some cases, and spent all the money they had on him and he was taken away. We find that in a large number of cases the aged parents have lost their sons and have nothing to fall back on at the present time, and we feel that they should be compensated just as the wife or widowed mother is.

Q. I take it that what you mean is a pension for such parents, not actual compensation. You are not asking a lump sum for those parents?—A. Yes, a pension.

Q. For compensation by way of pension?—A. Yes.

The CHAIRMAN: Then we take up No. 8—

“All unemployed veterans to be placed on army pay and allowance until such time as offered a position commensurate with their physical conditions and business abilities, present physical condition to be the deciding factor and not according to discharge certificate at time of leaving service, to make due allowance for re-action.”

What have you to say on that?—A. This clause asking for work for the returned men who are unable to find employment is the most serious clause we have presented, for the immediate future. I have the statistics here of conditions. Take the case of Toronto. I will read from the Toronto paper of March 23rd a statement of the conditions in Toronto as obtained from the Citizens' Unemployment Committee—

“Toronto's army of unemployed continues to swell and during the past week has been augmented by the addition of 848 men, the total number out of work now standing at 18,742, according to official figures. The workless include 8,604 returned soldiers.”

This is apart from those being assisted by the D.S.C.R.

“and 10,138 civilians. The married men number 9,929 and the single 8,813.

“Supt. Miller of the Government Employment Bureau stated to *The World* yesterday that, with the exception of the demand for farm help, there was no

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work of any kind now being offered and the unemployment situation was at a standstill.

"The registrations at the Employment Bureau yesterday numbered 920, of which 134 were new additions to the ranks of the unemployed.

"Relief applications at the Krausman were just over the 2,000 mark yesterday, including 30 new cases."

Then we have a report from Ottawa—

"Another large decline in employment occurred during the week ending February 26, according to the returns of the employment service of Canada. The 5,325 firms who made returns reported that they had contracted their payrolls by 3,742 persons or by about a two hundredth during the week. The tendency was most pronounced in Ontario, where 1,275 persons were let out by the employers.

"The declines were in part due to the seasonal cessation of lumbering operations, although the most outstanding contractors in employment were registered in the manufacturing group. * Here the declines for Canada amounted to 65,102 persons as compared with the week of January 17, 1920. For the same base week, the total net declines for all Canada amounted to 84,004 persons in the staffs of the 5,325 firms reporting."

Then the following report is taken from a Montreal paper—

"The unemployment situation is very bad, and is steadily growing worse," said J. T. Foster, former president of the Trades and Labour Council, in an interview this morning. "Besides the five thousand men who are out of work owing to the shutdown of the Grand Trunk and Angus shops, between fifteen and eighteen thousand are receiving no income whatever on account of the slackness of the times, and many of them have had no employment for the past eight months."

By Mr. Edwards:

Q. Have you any figures to indicate how many of these men could be absorbed on the farms?—A. Yes. On that I might say that I am a member of the Citizen's Unemployment Committee of the city of Toronto with the Board of Trade and Manufacturers' Association, a fully representative body and in close touch with conditions. On Saturday afternoon I was sent for down at the Employment Bureau in Toronto, which is the largest in the country, because we heard there was a large number of men wanted for the farms. Some one had made a statement that the soldiers did not need to be unemployed because there was work on the farms. I made a personal visit, and was there for two hours, and found there were about 250 applications registered throughout Ontario, all for skilled farm help—every one,—and there were 49 men being sent away for that class of work. Speaking with the Rev. Mr. Miller I may say he found that outside of these farmers requiring experienced men there was not one job in the province of Ontario where they could put our men in—men who had been unemployed since October. The conditions were the same right through. There is a clipping here out of *Hansard* where the member for Centre Toronto, Edmund Bristol, made a statement in the House the other day in the discussion on shipping that there were 250,000 men depending on the shipping industry, besides 50,000 men who derived their subsistence from the building of ships. The Hon. Premier, Mr. Meighen, during the same debate, stated that shipping was all ceasing, that 16 months ago there was only a very small amount of work for them which would only take a short time, and the time had elapsed now, and they were closing down on all shipping orders, and we find this 50,000 men will be thrown out because the shipping orders are all closed up at the present time, and the unemployment army will be augmented by

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another 50,000 men almost immediately. We find all throughout the country that there is no work opening up at all. We have men going on their knees, we have professional men, we have business men, chartered accountants and we find that the returned men and officers, instead of accepting relief, have been taking three days per week on the Local Park Commission with the pick and shovel in Toronto, men who have begged to get a job on any condition. As far as the unemployment of returned men is concerned, there has never been any demand for any bush men and returned men throughout the winter have been working on the Hydro at Chippewa with the pick and shovel. These men have never refused to go when there was work to be done. These men want a job, and they feel that it is up to the Federal Government to either give these men a job, which is preferable—we are not asking the Government to give them any more sympathy, they do not require any sympathy—or to give them relief. We feel that the Government, through their employment bureau, which is controlled by the Government, if they cannot give a man a job, we feel the only decent thing they can do is to put that man as a reserve; a large number of men had to be held as reserve Overseas; some of us were in reserve Overseas. That did not say we were to be cut off. We got our rations just the same, because the time came when we had to go in the fighting line, and the reserve had to be kept there, and we all realize there must be a reserve in the employment market, or else these concerns cannot run without a reserve; therefore we will have to have a reserve. As far as the returned men are concerned, we have thousands destitute. They have been receiving relief from coast to coast from October to the present time, and they have to depend on the basket of groceries being brought in, and these are the men who have fought Overseas. We are not kicking because the D.S.C.R. cut the relief off from the single returned man last week, but we claim, and we feel we are justified, and we feel the Committee will be with us on this more than any other question at the present time, that these men will be taken care of at least, even if we do not find a job. You may say these men do want a job. Some of them may not want it. They may refuse it, but give us a chance to offer these men a job, so that we can find whether they refuse.

By Mr. Sutherland:

Q. Is it not a fact that many of those out of employment refused to accept a reduction in wages, and that that is the reason they are out of employment?—A. No, that is not applicable.

Q. In Toronto?—A. No. As far as the working in a shipyard—I suppose you refer to that?

Q. Packing companies?—A. I might say that this situation has nothing to do with any one question. These are the men who have been unemployed all winter. These are the men who, according to the regulations, have to report to the Employment Bureau; they report every day, or every week, whichever way they are told, and instead of being offered a job, they are given meal tickets to get a meal when they are single men, and a ticket to get provisions when they are married men. These men do not want this relief; it is ruining them, and we would like this Committee to take this matter up quickly because something must be done. I might say that some of these soldiers' organizations have been sitting on a volcano during the winter, and if we only rose for a moment from the crater of the volcano there would be an explosion in our own country. We want to prevent that. Can you imagine these men coming up every day, going to their homes at night, and their wives asking them if they have a job?

By Mr. Morphy:

Q. I would like to ask a question, following that by Mr. Sutherland. I think the Committee would be interested to know your view as to why the men did not get work in the shipyards in Toronto when offered it?—A. That is a trade question

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and has nothing to do with this unemployment. We are not a trades and labour council; that is a matter for the various trades to deal with. But this unemployment condition that we are referring to is not the general situation; it is the returned men. We have, as you heard here, nine thousand returned men out of work.

Q. I appreciate that, but———A. Not only out of work, but registered. We have fifty per cent who are not registered, who are fighting to the limit at having to register for relief.

Q. My idea was this, that owing to some unfair practice in connection with the opening of these shipyards last winter, many returned soldiers were prevented from getting employment. I would like to get your idea of that. Do you say there were no returned soldiers affected?—A. I would not say that. I would not discuss that because there are various trades connected there. I understand there are returned soldiers working there at the present time; but we have our own unofficial figures. The official figures are nine thousand registered for relief, forced and driven to it; you will find them all over the country. You will find them every week; there are always so many newcomers coming to the office, and they are forced to it. One of our boys, four months unemployed, when he got down to his last dollar, cut his throat. We want to prevent that sort of thing.

By Mr. Edwards:

Q. Is your point, in a sentence, this: That the Government should place every returned soldier who fails to get employment on pay and allowances?—A. Yes. To be precise on that, the employment bureaux are in different parts of the country. These employment bureaux are supposed to try to find work for these applicants, but at the present time conditions are so deplorable throughout Canada, that if you go into an employment bureau to ask for a job they will run you out, for there is no work. They will give you a ticket for relief, perhaps. These employment bureaux are run at the country's expense, and therefore we expect something to be done in the way of finding employment. If there is no employment, we feel that the Government should do something to pay these men.

Q. The point in a nutshell is this: That inasmuch as the Federal Government has employment bureaux and through these bureaux fail to secure employment for all returned men, therefore the Federal Government should place all such returned men for whom it fails to find employment, on pay and allowances?—A. Yes.

Q. Is that the whole thing?—A. Yes. I should like to add this rider so as to make it more clear: We wish to eliminate those who will not work. We are only asking the Government to provide work that will help us, that will carry us along. Conditions are deplorable right now, and we are asking them to provide work so that we can offer these men a job. If they turn it down we will cut them off.

Q. You ask the Government to provide work or put them on pay and allowances?—A. That is it.

By Mr. Cooper:

Q. May I ask a question there? You are suggesting that the relief be cut off, and that they should be put on army pay and allowances, which will amount to the same thing, only done in another way. At the present time, the Dominion Government provide a third, the province concerned a third, and the municipality concerned a third, for relief purposes. Would you say that it is not fair for the province and the municipality to provide their quota, that it should be saddled on the Dominion Government?—A. Answering that, we feel that so far as relief is concerned, the arrangement whereby the municipality, the province and the Federal Government pay thirty-three and a third per cent was very fair indeed, and we complimented them on that. But still, let us have this clear. The men do not want relief; it is

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putting these men in a backward condition. We have to provide these men with a job, and when we send a man to a job, in five minutes he is apt to say, "How am I going to get there? I have no money for carfare."

By Mr. Edwards:

Q. Is it not relief, if you pay the man pay and allowances?—A. The idea is this: Our association is on record for unemployment insurance, but we realize that it will take some time before that can be operated. Therefore in the meantime we feel that putting them on army pay and allowances will not be too big. When the war was on they were put on army pay and allowances, and we feel that it will tide them over the serious situation that exists.

By the Chairman:

Q. Have you any information as to what the possible cost would be of such a measure?—A. No, sir, it would be up to the various Governments to provide work and it would not cost us anything at all. We are trying to hustle these public works along. I might say that we have been on record for these public works for the returned men time and time again. We have been down to Ottawa. There is a delegation due at the present time from the unemployment committee for this very thing, for public works.

By Mr. Edwards:

Q. What public works do you mean?—A. There was allowed in the estimates just prior to the war, 1913, I believe, items for a viaduct, for new customs houses in various places, and other necessary works that have been passed by the Government but have been held up during the war. We are asking that the construction of post offices and other buildings go on which will create work. We want these men to have some work and if the Government will provide them with work it will not cost them anything.

By Mr. Morphy:

Q. In other words, the Government having "slashed" all these estimates and cut them out for the sake of economy, you think that that is preventing the carrying out of what you want?—A. Yes. I might say in conclusion on that, although it is perhaps talking a little out of school, that we were over in the Buildings yesterday, during the session, and for two hours during that session, there was a debate going on regarding something that is going to be brought up as to exemption from income tax of a man who gets \$15,000 a year; and all we are asking for these men is \$1.10.

Q. What is that again?—A. I am bringing this thing up forcibly, and it is not because we are not reasonable, but this is enough to keep men who are out of work awake night and day. I say that I was quite disappointed in our own Government yesterday to find that there was a debate going on for two or three hours as to whether or not some high Chief Justice should be exempt from income tax, who is getting \$15,000 a year, when we are fighting for \$1.10. And we are trying to impress this Committee this morning with this situation, because we feel that our Government does not realize the situation as it exists.

By Mr. Edwards:

Q. Why do not some of them join the Permanent Force?—A. I think Mr. Chairman, when it comes to an inquiry like that which I understand is not quite serious, if you take the returned men who did come back you would not be able to find enough of fit men to fill a platoon in the regular forces.

The CHAIRMAN: No. 9 reads—

"Re-training of minors where found necessary who enlisted under the age of 21 years instead of 18 years as at present."

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I think we had that recommendation before the Committee last session. We had an estimate of the cost if I remember rightly.

WITNESS: If the Committee has decided not to make any change I would like to say one word or two. During the war a large number of boys—they were only boys for they had just passed the age of 18—joined up from the colleges and schools. They went overseas, and in some cases they were three, four and five years away. These boys came back again with the training to be men. Some of them are back again neither boys nor men. They have not had the necessary training to become men. They brought back in some cases pretty English brides, and they have to play a man's part. We find that these are the most difficult men to place in work. We are finding that these boys have had no training because the age of enlistment was fixed at 18 years, and many of them were just few months over 18 years when they enlisted. We feel that it will be a loss to Canada if we cannot train these young fellows.

The CHAIRMAN: No. 10 reads—

“Re-examination for all vocationally trained students who have been unable to obtain employment along lines for which trained.”

WITNESS: There is a serious situation there. Subsequent to September of last year we have had quite a large number of returned men who have finished their vocational courses. They have been vocationally trained. After their training these men were thrown right out and we have cases where there has been no work for them, which I think will be admitted by the D. S. C. R. representatives. They were only partially trained. The courses, we consider, were not long enough in the first place, and when they came out after six or eight months' training, the department could not possibly find jobs for them. They have been floating around all winter looking for work, and now we find that after finishing their courses, and after being idle for four or five months they have lost all they did learn, and yet they are still a charge on the Government. That is admitted by the Government, because of the fact that they were granted a course was simply because they were declared to be unfit to follow their pre-war occupation. These men were declared unfit to follow their pre-war occupation, and were granted a course. They were given a course, and after the course finished there was no work for them to fit in with the course they had taken, and they have forgotten all they knew. Now they are wandering around, and still they are declared unfit to follow their pre-war occupation. There is no work for them just now, but when work does open up, what are we going to do for these men?

By the Chairman:

Q. You say re-examination, what do you mean by that?—A. We ask that those vocationally trained students that have finished their courses and graduated and found that they could not engage in work—we find that those men have lost the training they got through being idle throughout the winter, and we ask that in every case of a vocational student who applies he shall be re-examined by the Re-Training Board of the D.S.C.R. to decide whether or not that man is fit with his training to carry on with a job if it can be found for him. If not, that the Board should be given power to grant another course to that man.

By Mr. Douglas:

Q. That would not apply to a man who had taken up the trade of shoe-making, for they would decide upon two more months to brush him up or something like that, under the discretion of the D.S.C.R. We ask that a change be made to cover those vocational students who are still unfit for pre-war occupation and who are not capable of stepping into a position at the present time.

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By the Chairman:

Q. You think that the man who has been vocationally trained loses, in a few months' time, the benefit of that training?—A. Yes, sir.

By Mr. Douglas:

Q. That would not apply to a man who had taken up the trade of shoe-making, for instance?—A. Oh, no, there are only certain occupations that would be affected. Perhaps there would not be very many in such cases as stenographers, for instance, because I understand the Government can place stenographers fairly well, but in such occupations as bookkeeping or such as require technical knowledge the men have got out of touch with them. We have to consider that these men are out on the labour market, and when work opens up they want to be able to take it. They are business men now more or less, and we want them placed in that position where they will have a fighting chance.

By Hon. Mr. Béland:

Q. I understood you to say that 9,000 returned men were out of employment and failed to find employment?

The CHAIRMAN: In Toronto.

By Hon. Mr. Béland:

Q. That applies to the city of Toronto?—A. To the city of Toronto alone.

Q. Have you any figures relating to the province of Ontario?—A. No, these figures will be sent to your committee before you prorogue.

Q. Did you give any figures regarding Montreal?—A. Yes, sir.

The CHAIRMAN: He quoted some figures but they were not divided as between civilian and soldier classes in Montreal. No. 11 reads—

“Free transportation on all Government Railways for all blinded or other disabled men requiring escorts.”

That suggestion we had before us last year.

WITNESS: It was before the Committee last year, and that is why I believe we are asking for definite action at this time. I would like to explain to the Committee how we have got used to inaction. In 1916 Sir Robert Borden and the Hon. Sir George Foster and several other members of the Government paid a visit to St. Dunstan's Hospital in London, where our blinded Canadian soldiers were at that time, and speaking to them, Sir Robert Borden made the statement I think that Canada would do everything possible for those blind heroes when they returned. He stated that so far as he was concerned, free transportation at least would be granted on all Government railways. It may seem a small thing to the Committee but when a blind man goes from Montreal to his home in Vancouver—we have blind men's homes in Toronto—when a blind man goes on leave from the place where he is working to his home in Vancouver—there are only certain centres where these men work—he has to pay not only his own fare but the fare of his escort too, Sir Robert Borden and Sir George Foster promised this. The promise was made in good faith, and blind men are very sensitive and do not forget.

By Mr. Cooper:

Q. Have you any specific case where it has not been done at all?—A. It has never been done. I might say that last year I was sent down with a delegation to appear before the present Cabinet, and there was a petition signed by these men from Pearson Hall, the blind men, asking them to fulfill the promise they had made that they could travel free. I had the pleasure of submitting that personally to Sir George Foster and asking him if he remembered this promise being made. Sir

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George admitted it had been made in good faith, and it would be taken up immediately. Those boys have been waiting now for a year for something to be done, although they received a letter from the Government stating that the matter was receiving attention. And we go further than the blind men and we ask that all otherwise disabled men requiring escorts should travel free. Their pensions are miserably low, and to travel across the country and pay their own fare and the escort's fare is pretty hard. We have disabled men who have to be carried. We ask this Committee to recommend that free transportation on all Government railways be granted to ex-service men requiring escort.

The CHAIRMAN: There is a further recommendation which we will make No. 12, which reads—

"Owing to dearth of apprentices in various trades in Canada, the G.A.U.V. suggests: That all minors up to the age of 21 be given an opportunity to become apprentices in said trades, the manufacturers to pay prevailing apprentice wage and the Government to make up same to living wage.

"The outcome of this action would be to augment the ranks of skilled mechanics in the future, which has been sadly depleted on account of the late war."

WITNESS: Regarding that resolution, we find after investigation that since the war began there have been in every trade very, very few apprentices. We find that these boys that went away have come back men, and a large number of them married. They cannot afford to go in that firm as an apprentice any more, because the salary is not adequate for expenses. We find that in most firms learning a trade there is a pay of 15 or 20 cents per hour. I might say that the Dominion Board of Directors threshed this matter out very carefully and they felt it should be placed before the Committee with a view of encouraging from the Canadian standpoint skilled mechanics for Canada. We all realize that these soldiers will be the best mechanics, because they have their manhood anyway, and we feel the expense would be reasonable, and the result would justify the expense if the Government could provide some scheme where these men could be placed as apprentices, receive their 15 or 20 cents per hour from the employer, and for the Government to grant another 15 or 20 cents per hour to make the salary a livable one. We find that the average time for learning a trade for an apprentice in Canada is four years. We find on going into the matter very carefully that the average 20 cents per hour, or 15 in most cases, is not enough to live on. It is impossible to live on it. We find that after the first year it will cost the Government less. The second year the man will become more skilled and more valuable to the employer, and will receive probably 5 cents an hour more than in the first year. We find on investigation that the third year it will cost the Government very, very little indeed, because the man will be very well skilled and more valuable to the employer. We find after the third year it will not cost anything whatever, because he will be a journeyman and able to get his living through this firm, and become a skilled mechanic, which will be to the future betterment of trade and commerce for our own Dominion, and it will be a way to re-establish quite a larger number of these young fellows at very little expense to the country.

By Mr. Nesbitt:

Q. What do you say with reference to the control the labour unions have? You know nearly all trades have labour unions and rule as to how many apprentices shall be taken in.—A. That would not have any bearing on this request. It is quite true that the number of apprentices is controlled from the unions, but that would only be a way of finding out how many we could absorb in these industries. We find on investigation that there are a large number required. We find some trades—boiler-making, for instance,—which have no apprentices whatever, and some of these trades

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having no apprentices at all, there will be no objection from the Trades and Labour Council, there cannot possibly be, because the returned man will go in there as an ordinary apprentice, not as a soldier, and it is just a matter of the Government making up a slight difference in the wage perhaps for two years, at an average of 10 or 15 cents per hour for eight hours a day, and at the end of the time the Government will have the satisfaction of having a very skilled mechanic at very little cost.

By the Chairman:

Q. Have you any estimate as to the total cost of this suggestion?—A. No, sir.

Q. Then you have given me No. 13. This is a suggestion on the classification of civil servants that an amendment should be made in the same in respect of employees of the D. S. C. R.; that the rates of pay for the staff at Christie Street Hospital, Toronto, Ontario, should be,—

“41 orderlies at \$80 per month, no bonus, twelve hours per day, seven days per week.

31 skilled nursing orderlies, \$85 per month, no bonus, married returned men.

Clerical staff, male and female, with bonus.

40 nursing sisters (single) \$80, bonus, free quarters, meals.

Supervisor \$125, no bonus, in charge of eighty men.”

You had better explain this?

A. This is at the request of the G.A.U.V., regarding the classification of civil servants by the Civil Service Commission which controls the D.S.C.R. as well. We find we have a resolution here *re* classification of civil servants with respect to the D.S.C.R. We find that this classification has resulted in very serious discrimination against the returned soldier, and in every instance has resulted in giving the large salaried man and families an increase in wages, and we feel the reason for giving them the bonus has been defeated, and we think you will feel this is not going far towards the re-establishment of returned men. This is the idea, that the D.S.C.R. hospitals are packed to capacity throughout Canada and will be for a considerable number of years. We all agree, Mr Chairman, that in these hospitals the working staffs of the hospitals are manned by ex-service men with special qualifications. We have the mental hospitals and we have the amputation hospitals. We have the Christie Street Hospital and we have the Dominion Orthopaedic Hospital in Toronto. In that hospital there are 41 orderlies; everyone is a married man, with an experience as an orderly in the medical corps overseas in most cases. He receives \$80 per month and no bonus. Most of them have children. This man is in receipt of \$80 per month without any bonus. He works twelve hours per day and seven days per week for \$80 a month. That is the D.S.C.R. There are 31 skilled nursing orderlies at this hospital. I might say, while I quote these figures, that other D.S.C.R. hospitals are on the same basis. 31 skilled nursing orderlies receive \$85 per month, no bonus. These are married men also. The difference is this: owing to the classification of the Civil Service, we find on investigation that the Director of Civil Service Re-establishment in Toronto, the D.S.C.R.—that this classification was controlled by Ottawa Civil Service. We tried to get them to strike a happy medium with the prevailing rents in the district. We have the military hospitals classed as the ordinary civilian hospitals, although we have to have men with special training in these military hospitals and long hours, and because the standard of the wages as orderlies in the city hospitals are so low, we find that the D.S.C.R. hospital attendants and nurses are classed the same; that is owing to the civil service classification: 41 orderlies at \$80 per month without bonus, twelve hours per day, seven days a week, 31 skilled nursing orderlies \$85 per month, no bonus, married, returned men. Now we come to the crude part

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of it. The clerical staff in these hospitals, just because they are not on the same basis as the orderlies, receive a bonus from Ottawa, and we find that the clerical staff, both male and female receive a bonus while the other men receive none.

By Mr. Cooper:

Q. Some of them get meals and others do not. The orderlies get all their meals and sleeping quarters?—A. At Christie Street Hospital the orderlies get no meals whatever; they are not free. This is another point we feel should be cleared up.

By the Chairman:

Q. You do not give wages to the clerical staff?—A. The clerical staff receive \$80 a month just the same as the orderlies, only with an increase of a bonus of \$35.

By Mr. Morphy:

Q. \$35 a month bonus?—A. Yes; and nothing for the returned married men who are working twelve hours a day, seven days a week.

Q. Why is that?—A. That is the thing we are fighting; it is owing to the Civil Service Commission Regulation. Now, there is a little waiter boy in this hospital who runs the messages between the various offices. He gets \$80 and a bonus because he is not classified as an orderly; it is just the classification, that is the difference: We have the male orderlies. They have their certificates in most cases for nursing, and we have the nursing sisters who are all single and who receive \$80 a month plus a bonus, plus free quarters and meals. The nursing sisters are single girls and they receive \$80 with an added bonus of \$25. And they have free quarters—nothing to eat or sleep.

By Mr. Morphy:

Q. Have you taken that matter up in any way with the Civil Service Commission?—A. I might say in answer to the gentleman, Mr. Chairman, that this matter was referred to the D.S.C.R. in the right way, which we generally do, and of course they have no power under the existing conditions to alter the same.

Q. Do you know if the D.S.C.R. took it up with the Civil Service Commission?—A. This question has been taken up by the Soldiers' Organizations with the Civil Service Commission, and it is always passed over as "classification" and that is as far as we get. We feel that there is some adjustment required, and we leave that with the Committee. I might say that the Head Supervisor, who is a decorated man from France, and experienced in charge of men for years, receives the enormous sum of \$125 per month, without any bonus, although he is in charge of 80 men in the hospital of several hundred amputation cases. He has no bonus and the little boy that cleans his boots once in a while, gets as much money as the Supervisor owing to the Civil Service Classification.

Q. Can you tell me how many nursing sisters there are who were overseas, and how many were not?—A. I believe they were all over there; there is no kick on that at all.

Mr. MORPHY: I would like to hear from the D.S.C.R. what they have done to remedy this thing. It has been referred to them.

Mr. PARKINSON: You will have to understand the circumstances. Take the orderlies. Perhaps if Mr. Marsh would explain to the Committee what the orderlies receive who are performing the same duties in civilian hospitals in the city, and what the nursing sisters in civilian hospitals are receiving, it might clear up the situation. I do not think anybody will pretend to compare the duties of the orderlies with the duties of the nursing sisters, and the pay they receive. The Department is unable to make any distinction in the way of pay of the orderlies employed by the Department and the orderlies who are employed in similar work in other institutions. There is

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no difference in the duties of an orderly in the D.S.C.R. and those of an orderly in the Toronto General Hospital. If we paid an enormous salary to orderlies in our hospital, as compared with the pay of orderlies in the civilian hospitals, we would have trouble all over the country. And so far as the Civil Service Commission is concerned, I would point out that orderlies are not classified by the Civil Service Commission, except to stipulate that they be paid the local rate of pay. They are not paid under any classification. An orderly in Toronto gets more or less than an orderly in Vancouver or in Halifax, depending on what orderlies in that district are being paid. The same thing applies in the case of chauffeurs; they get no bonus; they get the local rate of pay. Chauffeurs in Toronto are paid \$100 per month, and chauffeurs in hospitals are paid that. If orderlies are paid \$80 a month in civilian hospitals, then our orderlies in the D.S.C.R. are paid \$80. The same rule applies in Halifax and Vancouver, and throughout Canada.

Mr. MORPHY: The classification is made by whom?

Mr. PARKINSON: By our officers, in accordance with the local rate of pay in the district, and approved by us at the Head Office.

Mr. MORPHY: The evidence given was that the classification is a very unfair one, that the civilian staff are treated better than the returned soldiers. I would like to ask what your Department has done with regard to the request from the soldiers' organizations relative to the treatment given the returned soldier.

Mr. PARKINSON: In the first place, the orderlies are practically all returned soldiers. That only applies to orderlies. The Department is governed by the local rate of pay prevalent in Toronto.

The CHAIRMAN: The difference appears to be between the clerical and the nursing staff.

Mr. MORPHY: I understand that; but it seems to me that the soldier is discriminated against in that hospital, from the evidence of Mr. Marsh.

The CHAIRMAN: They are all soldiers.

Mr. MORPHY: They are not getting any bonus, and the same salaries as the boy who runs the elevator.

Mr. PARKINSON: I want to bring up the case of Mr. Ward—

The WITNESS: With your permission, Mr. Chairman, I would like to say in answer to this case that it is a very important thing. There are a large number of men who are waiting to see the result of this. I would like to ask Mr. Parkinson, since we have found it out now—I am pleased we have found it out—that the D. S. C. R. are responsible for the orderlies' salaries we will know where to go now—I would like to ask Mr. Parkinson if it is fair that the returned soldier in the hospital, working twelve hours a day, seven days a week, married, returned men with a family, if in his opinion it is really following the Government's policy in trying to re-establish men by giving them \$80 a month. Now, about the clerical staff, the answer we have always had given to us from the D. S. C. R. when we have taken up this matter is that it was due to the classification, and that nothing could be done. We find the clerical staff, both male and female, are receiving a bonus; we find that the little boy who helps in the office receives a bonus; but we find that the returned men are not getting a bonus, and even the supervisor up there receives no bonus whatever, and we find that some of his ordinary clerks in the office are receiving more money than the man himself, with the weight of the hospital on his shoulders. We feel that since the onus is placed on the D. S. C. R., since it is accepted by them, we would like a recommendation from this Committee that the D. S. C. R. pay a living wage to the returned men, and then we will be able to go back to the business men and ask them to pay the same. If the Government do not pay these men a living wage, how in the world can we ask the business men of the country to pay these men enough to live on.

[Mr. J. F. Marsh.]

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By Mr. Douglas:

Q. Do you say that \$80 a month is not a living wage?—A. In the city, surely it is not.

Q. There are a lot of them without anything?—A. Some of them are not living now.

Mr. PARKINSON: Mr. Marsh's statements are misleading. So far as orderlies are concerned, it does not matter to us whether an orderly is a married man or a single man. An orderly's duties are worth just so much in the city of Toronto. Mr. Marsh made the statement that the returned men—

The CHAIRMAN: You are speaking of the supervisor.

Mr. PARKINSON: The supervisor is in charge of the orderlies in the hospital. So far as the clerical staff is concerned, Mr. Marsh made the statement that the returned men are being discriminated against. The returned men are not being discriminated against. Practically all the employees of the department, whether orderlies or not, are returned men. If they are orderlies they do not get a bonus, they get the rate of pay in that district. If a returned man is on the clerical staff, he is paid salary plus bonus. Whether they are paid according to the local rate is the whole question. As I say, the fact of his being a returned man does not enter into the question at all.

The CHAIRMAN: That was a mistake on Mr. Marsh's part.

Mr. PARKINSON: I wish to state definitely that the orderlies are paid in accordance with the local rate, and the same applies to chauffeurs and anybody employed. The work is paid in accordance with the rate in that district. The returned men are certainly not discriminated against. As a matter of fact, in most cases our rate of pay is higher than the local rate of pay.

The CHAIRMAN: I think you should pass on to the case of Ward.

Mr. COOPER: Mr. Marsh made the statement that single nursing sisters receiving clothes and food were also receiving a bonus.

Mr. PARKINSON: They get the cost of living bonus, quarters, and food together with their salary. The salary of a single nursing sister is \$80 a month.

The CHAIRMAN: Now come to the case of Ward.

Mr. PARKINSON: I wish to go over briefly some points in Mr. Marsh's evidence before the Committee yesterday, and then I would like to have Dr. Arnold explain the treatment which Mr. Ward received at the hands of the department. In Mr. Marsh's evidence he made several statements that I would like to refer to in order to indicate the misleading way in which they were put forward. In the first place he stated:—

“He had a notification, although he was bed-fast, to be prepared to be taken to the hospital, that the ambulance or car would call for him at a certain hour. He waited for it and it never came. He got out of bed and struggled to the hospital himself.”

The facts are that Mr. Ward reported to our office on Spadina avenue and was taken to the hospital in a car, and was examined there. After his examination, he walked home, a distance of six miles. Now, if Mr. Ward was bed-fast, as is stated here in Mr. Marsh's evidence, it is inconceivable that he could walk six miles after his examination. The fact is that the man was not bed-fast. He was taken to the hospital for examination—

WITNESS: Regarding your treatment I would like to say—

Mr. NESBITT: We want his statement; you made yours yesterday.

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Mr. PARKINSON: Mr. Marsh in his evidence stated:—

“Then they told him to go to the hospital again the next day, and he went there and he fell just inside the hospital door and died— He got into bed and died.”

The fact is—

WITNESS: That statement was never made by me.

Mr. PARKINSON: This is the stenographer's report, that he died in the hospital.

WITNESS: I ask the members of the Committee if that statement was made by me that he died in the hospital.

Mr. ARTHURS: You did not say that.

Mr. PARKINSON: I accept Mr. Marsh's correction of the stenographer's notes that he died at his home. The fact is that Mr. Ward arrived home about one o'clock in the afternoon and died between three and four o'clock the next morning. That is the fact.

WITNESS: The statement I made was that he collapsed inside the house and died later on. He died in the presence of the D.S.C.R. doctor. I challenge these notes as being wrong, and I leave it to the Committee before we go any further to say whether that statement was made. I may say, to clear the air, that the reason why this is brought up to-day is that my organization is going to make a request to the Dominion Government for a full inquiry. It is quite possible that it may be a case of the department trying to shield itself, and I do not think it should be brought before this Committee.

Mr. NESBITT: We listened to this witness all day yesterday, and he made his statement, and he has no right to impute motives to the department.

WITNESS: I claim—

Some Hon. MEMBERS: Order.

WITNESS: I ask permission to speak on this point.

The CHAIRMAN: You had better sit down.

Mr. PARKINSON: There are several other points in Mr. Marsh's evidence that I would like to refer to, and I would like to have Dr. Arnold called to explain matters relating to the examination of Ward, to the findings after the autopsy, and of the coroner's jury in Toronto. I may say that these are the notes that I received from the stenographers, and according to my understanding and my hearing this coincides with my recollection of his statement. If Mr. Marsh wishes to correct his statements, I think it would be very advisable for him to do so, because the statement he made yesterday was rather misleading as to the facts. My sole object is to have the statements correct and I would like you to hear Dr. Arnold. He would be very glad to tell you all about it. He knows all the facts, because the matter was gone into very fully.

Mr. MORPHY: In justice to the stenographers, I would like to say that I got the idea from Mr. Marsh's evidence that the man died within half an hour or within a very short time after he went to the hospital.

Mr. NESBITT: That was my impression, and I was right beside him.

Mr. WILSON (Saskatoon): The impression I got was that the man walked home and died at his home.

Mr. PARKINSON: I do not want to criticise Mr. Marsh's statements; I simply ask that Dr. Arnold be heard as to the action of the department and as to the treatment Ward received. It is typical of the treatment that men of the type of Ward receive from the department. We go into their cases to the fullest extent, examine their

[Mr. J. F. Marsh.]

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disabilities and give them treatment. If you will hear Dr. Arnold you will understand the action of the department.

The CHAIRMAN: I do not think we can hear him this morning. I would suggest that Mr. Marsh look over the notes and have it made clear as to the facts; then Dr. Arnold can see that statement as revised and make a statement to the Committee. We have reached the hour of adjournment and several gentlemen have been waiting for two days to be heard. We cannot hear them this morning. I presume we will meet again to-morrow at 11 o'clock. There is the matter of the Grand Trunk Pacific employees, and we have here tuberculosis specialists who desire to refer to the report which I think has been placed in the hands of the members of the Committee. I would urge the members to read that report. I had the opportunity yesterday of looking at it, and the first thirty pages of it, at least, are well worth perusal. It is a far-reaching and very full and clear report, and I would urge the members of the Committee to find time to read it before to-morrow morning.

The Committee adjourned until Thursday at 11 o'clock a.m.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

THURSDAY, April 7, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding:

Other Members present:—Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Redman, Ross, Savard, Spinney, Sutherland, Turgeon, Wilson (Saskatoon).—21.

The CHAIRMAN: We have a telegram from the Victoria Branch of the Great War Veterans Association, which reads as follows:—

“The Victoria Branch of the G.W.V.A., strongly endorses the petition recently presented by Major Andrews, M.P., to the Special Committee on Pensions and Re-establishments of the Dominion House of Commons, for the establishment of permanent homes and hospitals for disabled veterans, and in this connection urges the establishment of an institution of this kind on Vancouver Island, and furthermore would refer the Committee to the offer which still remains open, made by the Victoria City Council of a free site at Elk Lake.

H. P. Thorpe, Secretary.

Then we have this communication from the widows, mothers and wives of Great Britain Heroes Association.

VANCOUVER B.C., March 26, 1921.

To the Chairman and Member of the Special Committee on Pensions and Re-establishment and Members of the House of Commons, Ottawa, Canada.

GENTLEMEN,—While the legislation of 1920 on Pensions has remedied many grievances, for which the members of our Association wish to express their thanks to Parliament, may we not point out to your Committee certain matters which still call for attention.

Pensions to Widows:

The experience of the past year has confirmed our previous opinion that the present pension of \$60 a month is totally inadequate. We are speaking from actual experience when we say that even if the cost of living were to be reduced to pre-war figures, the amount we ask for would mean little more than bare comfort. We therefore renew our request of last year, and if possible urge more strongly than ever—that for the honour and credit of our country, the pensions for widows, with or without children, should be fixed at \$75 a month.

All pensions to be regardless of rank.

Widowed Mothers or Dependent Parents:

For the widowed mother (with or without children) or other dependent parent we ask a similar pension regardless of other income. For though in many cases, at the time when their sons enlisted, these widowed mothers and parents were not in an actual condition of dependency on their soldier sons, yet, for their approaching old age these boys were the only source of support that they could reasonably look forward to. Many of these ageing parents are now in actual want, but they are, to a very large extent, overlooked by the present Act. May we suggest that this particular need be especially inquired into by your Committee?

Pension for Children:

For the first child of the above named we ask in addition \$25 a month.

For the second child of the above named we ask in addition \$20 a month.

For each subsequent child of the above named we ask in addition \$15 a month.

For orphans \$45 a month each. Payment in respect of children to be continued until the age of 18.

Gratuity:

The widows and dependents of those who died on service—and who consequently could not receive the war gratuity—still feel that the full gratuity, which would have been paid had they lived to return, should be paid to their widows or dependents. A fact which may have escaped your notice is this, while you gave the widow or widowed mother her portion, namely, one-third, you have overlooked the fact of the other two-thirds, the father or elder brother's portion which, according to law in several provinces, belongs to the child or children.

Another point we would draw to your attention is the fact that the full gratuity has been paid to widows whose husbands returned but died before receiving the same.

We have been painfully surprised at the deduction from our fractional gratuity of the sum previously paid under section 39 of the Pensions Act.

May we again urge upon you the justice and wisdom of this full gratuity being paid to those who suffered most as a result of the Great World War?

Hospital and Sickness:

One further pressing need we beg to press most strongly on your Committee, namely, the great need of working out some scheme for providing proper medical and hospital attention for dependents. Pensions are intended only to provide for a certain minimum standard of living. They do not contemplate taking care of a serious illness or hospital attention. The result is that when a serious sickness occurs a heavy debt must be incurred which may take years to pay, and the whole purpose of the pension scheme is frustrated in many cases.

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We suggest that your Committee consider the advisability of providing some arrangement with this end in view, by extending medical and hospital facilities to such dependents.

Respectfully yours,

JANET C. KEMP,
President.

Then we have a resolution from the Postal Porters' Association of Toronto, which reads as follows:—

"That representations be made to the Parliamentary Committee on Soldiers' Re-establishment now in session at Ottawa on behalf of our members who are on the temporary staff of the Toronto Post Office with a view towards having them permanently appointed."

Then there is a further communication from the same Association sent direct to this Committee. That is in support of this resolution.

Then a letter from the president of the Last Post Fund of Montreal pressing for hearing before this Committee. You will recall that last year unfortunately we were unable to arrange a hearing for Doctor W. A. Atherton or anyone representing that fund. This should go before the Committee on Evidence.

Before we open the proceedings I might say, in consequence of a suggestion I made yesterday, that Mr. Marsh has perused his evidence and asked leave to make two alterations in the stenographer's notes. On page 43 of the typewritten copy Mr. Marsh's evidence was as follows:—

"Then they told him to go to the hospital again the next day, and he went there, and he fell just inside the hospital door and died—he got into bed and died."

Mr. Marsh wants to change the last words so that the sentence will read:—

"Then they told him to go to the hospital again the next day and he went there, and on his return home collapsed and was put to bed, where he died."

Then on page 44 he asked to insert the word "later," so that the sentence will read: "And I was at the house myself later."

It does not seem to me there is any objection to having these changes made in the evidence, as they represent what Mr. Marsh wished or intended to say.

Mr. NESBITT: I move that these changes be accepted.¹

Mr. COOPER: I second the motion.

Motion agreed to.

Mr. Nesbitt presented the report of the sub-Committee on Special Cases.

The CHAIRMAN: The practice, I think, gentlemen, is to have these reports put on file, and those cases which are recommended for consideration by the main Committee to be brought before it when we are sitting in executive session. I would suggest that the Pension Board, who no doubt will have a copy of this report, will let us have their findings on these cases which are referred again to them.

Mr. NESBITT: It will take some time. Unless we continue our sittings for some time we will not be able to do it.

The CHAIRMAN: On such of those cases as the Pension Board are able to review before the Committee rises.

Mr. NESBITT: We also recommend that the reports be embodied in the printed minutes of the proceedings of the Committee.

The CHAIRMAN: I think the first business before the Committee was to be a statement with regard to the Sergeant Ward case, by the D. S. C. R.

¹ Corrected at page 190.

Dr. W. C. ARNOLD called, sworn and examined.

The WITNESS: I think your Committee should know, Mr. Chairman, the particular reason why a statement was considered to be necessary on the case of W. W. Ward. The case received considerable publicity in all the Toronto papers, publicity which conveyed to the general public an entirely erroneous opinion of what did actually happen in this case, quite as erroneous as the evidence presented by Mr. Marsh. The circumstances in connection with this case are, briefly, that this man contracted asthma nearly twenty years ago in India, with a consequent emphysema that later on became very marked, and a bronchitis which always goes with that type to a more or less severe degree. He enlisted and had a short term in England—as a matter of fact, took sick on the boat—and was sick all the time he was in England with asthma and bronchitis; his original illness on the boat was suspected to have been pneumonia. He came back to Canada, had a second enlistment as a drill instructor and was obliged to quit that because of his shortness of breath. He had been working off and on, with more or less severe attacks of asthma, from August, 1918, until he asked for assistance from the S. C. R. I would ask you to note here, where Mr. Marsh said that authority was received for treatment four days after this man died, that the doctor was out to see him almost immediately his wife asked for one to go. He found, as I say, an old chronic asthma, with a straight history which was easy to follow. He had no reason to believe that this man had anything but asthma and bronchitis. There was no question of differential diagnosis of any kind whatever. But he said to him, “We have in the city of Toronto a chest clinic attended by the best chest men we can get. It costs us very little to give you an examination, such as the ordinary man is not in a position to receive. I will make an engagement with the chest specialist at the clinic and will have you sent up there. I will send a car and you can go up there and we will go over you thoroughly, and we will eliminate the possibility of there being tuberculosis superimposed on your old condition.” He left his orders six days before for a car, which, unfortunately, did not get there on the dot when it was supposed to get there. This man waited a short time and then either walked or took a car to the home at 185 Spadina Avenue; that is the Headquarters of the D. S. C. R., in Toronto, and from there he was sent in a motor—I think it was an ambulance—to Christie Street hospital for his first examination. He was not in too bad a condition, as far as distress goes, on his first appearance at the hospital, and was sent up to the X-ray room after examination for the large stereoptic chest plates. When he came down again he was asked to come again the next day because they observed that he had some bad teeth, and they said to him, “We had better get the X-rays on your teeth; it is possible that you may be getting some absorption from some old roots, and we will be very glad to get the plates on your teeth and see if we can eliminate a possible source of infection there.” I want to bring out this point, that if you had asked me, of my own accord, to pick out a case which would exemplify the excellence of the service that we are able to give in the city of Toronto I could not have hoped to have picked a case which would have suited me better than the case of W. W. Ward. He came back the second day and was in considerable distress with asthma; in fact, was cyanotic to such an extent that Dr. McIntyre on oath said that he had taken considerable time in order to establish pleasant relations with this man.

By Mr. Copp:

Q. Who is Dr. McIntyre?—A. One of the chest specialists who examined Ward at Christie Street hospital. He said that he did this after the man had refused to stay in hospital, because he thought that he needed to stay, that he was not in a fit condition to be “knocking around” on the street or at home. Dr. Anglin, another chest specialist, and the nurse in charge of the clinic, asked this man to stay in hospital, pointing out that he was in bad condition and in no shape to be outside the hospital.

[Dr. W. C. Arnold.]

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After some palliative treatment, the man, on his own initiative, left the hospital. This was about noon on the day of his second visit to Christie Street. Dr. Anglin was the last chest specialist to examine him.

By Mr. Arthurs:

Q. Was there any engagement to take him in a car on his second visit to the hospital?—A. No, it was not considered necessary, nor, in my estimate, was it necessary in the first place. Dr. Anglin met Ward on the street just outside the hospital. Dr. Anglin was in his own car and said to him, "I would be glad to take you to your home; I am going your way." The man said, "No, I feel better walking, and I am going to walk home," which he did, arriving home early in the afternoon. That same night he took very seriously ill. Towards one o'clock the wife went out hurriedly, realizing that he was in practically a dying condition, and saw two doctors near her neighbourhood, both of whom absolutely refused to go and see this man. These doctors, of course, were not in any way connected with the D. S. C. R. A policeman whom she met on the street, noticing her distress, said that he would call the D. S. C. R., and the doctor who was on duty that night, although he was in Parkdale, was at the man's bedside inside of forty minutes.

By the way, I would like to say here that this man died from what is called pulmonary embolism; that the evidence at the inquest, by physicians having no connection with this department, was very plainly to the effect that he would have died had he been in the best hospital in the world, with all the best specialists at his bedside.

It appears that after this man died, some members of a returned soldiers' organization in the city of Toronto possibly in the process of "sitting on the lid of a volcano," found that this car did not call for him when it should have, and took this as a means of airing the opinion, which apparently they desired to create, that the medical branch of the D.S.C.R. in Toronto were not giving the service to the sick returned soldier to which he was entitled.

I wish in closing, Mr. Chairman, to make this point—and the medical men, I should say anywhere, would bear me out in it—that it is not customary, nor would the ordinary physician be justified when he comes to a case such as this man's was, of an old chronic asthma, in which case he knew very little could be done other than of a palliative nature, to say to that man, "I should think you should go to a chest specialist and have all those X-ray plates taken, and have the possibility of tuberculosis eliminated." It would be unusual in the case of a man fifty years of age, with twenty years asthma, and a history such as his, to expect tuberculosis. I wish to make this point, that we have in the city of Toronto an organization of competent specialists, that we on every possible occasion use these specialists, and through our organization we are able to provide for the returned soldier in Toronto a medical service which the average man simply could not get, owing to his inability to pay for it. This man got, in his two visits to the Christie Street hospital a medical service which would have cost him anywhere, under ordinary circumstances, from one to two hundred dollars. Further this case was investigated, and there were fourteen of fifteen doctors called on the coroner's inquest in Toronto; there can be no question of the finding.

By Mr. Copp:

Q. What is your position?—A. I am Director of Medical Services.

Q. At Toronto?—A. Yes.

By Mr. Caldwell:

Q. How long elapsed between the man's two visits to the hospital?—A. About one day.

Q. On the first visit to the hospital the doctor did not consider the man was in serious danger?—A. They did not consider it was dangerous at any time. There

was no reason to believe he would die in the near future or that he was in a dying condition.

Q. Still the doctors at the inquest decided he would have died no matter how good a treatment he would have had?—A. From the accident which happened, from which he died in an hour. It was a clot breaking loose from the heart which blocked up one lung.

By the Chairman:

Q. Pulmonary embolism?—A. Yes.

Mr. MARSH: May I ask a question?

The CHAIRMAN: Through a member of the Committee you can. You cannot cross-examine, I am afraid.

By Mr. Chisholm:

Q. Mr. Marsh wishes me to ask, why did not the car call as arranged?—A. I understand it broke down. The car would have got there, in fact was on the way, when he appeared.

Q. He wishes me to ask if the doctor on duty there stays on the premises?—A. At night?

Q. Yes?—A. No, he does not. He is on call at his own home. That doctor happened to live in Parkdale and was at home on call.

Q. He wishes me to ask, if when the car broke down, was there any other car that could have been brought into use for the purpose?—A. Well, I am not familiar with the movements of the car that morning. I did not know where this car was, but if he had waited another half hour the car would have been there.

By the Chairman:

Q. How many cars have you in the department?—A. I do not know that.

By Mr. Chisholm:

Q. He wishes me to ask if any of the cars that are used there were used by the officials that morning?—A. I am not able to answer that. I presume some of them would be used by officials. That is what they are there for.

Q. He wishes me to ask if the officials' duties properly are not to use the cars for the patients?—A. No, I am unable to answer that.

Q. He wishes to ask a further question again, if it was possible for the car to be used that morning for the purposes of a member of one of the doctor's family—the doctor's wife?—A. Not if he lived up to the directions he received, no. He might have broken the regulations as men do.

Q. Men sin sometimes?—A. Yes, some of ours do, but very few.

Q. He wishes me to ask if, a short time after death instructions came from Ottawa to put this man on pay and allowance?—A. Well, again I am not able to answer off hand. It is possible that might occur.

Q. As a disability pensioner—those are the words put in my mouth which I am endeavouring to communicate.—A. No, I do not think so. I do not think they would do that. They might authorize his being taken on for an aggravation due to service, and that in all probability was done, and it might have been done as an extraordinary case, because they were much perturbed after death by the activities of Mr. Marsh, I fancy.

Q. Are you aware that a delegation of neighbours insisted on this inquiry and not the organization?—A. No, that never has been brought out before. I am very glad to hear it.

[Dr. W. C. Arnold.]

APPENDIX No. 2

By Mr. Nesbitt:

Q. Under the circumstances as finally proved or found out, would there have been any disadvantage to the patient if he had waited for an hour or two longer for the carriage or ambulance to call for him?—A. Absolutely none. He could have walked to the hospital without hurting himself, anyway. It was proven by the fact that on the succeeding day, when he was much worse, he walked home and would not ride. The charge that this has anything to do with his death is absurd, and ridiculous.

By Mr. Cooper:

Q. The delay in sending the car was not on the day the man died?—A. It was two days before.

By the Chairman:

Q. You use a medical phrase, speaking of his second visit to the hospital, and the fact that the doctor kept him there for some time—the term as gone out of my mind, but I think it ought to be explained?—A. I have forgotten what term I used there.

Major BURGESS: I think he said cyanotic.

WITNESS: That means that, in his extreme distress and effort to draw his breath, his blood distribution was disturbed and his lips would be blue.

By the Chairman:

Q. And was that one of the reasons why they urged him to stop in the hospital at the time?—A. That was very evidently one of the reasons.

By Mr. Chisholm:

Q. Mr. Marsh wishes me to ask this: There is a statement made by one of the experts there that this man died from a cause, inside of an hour. He wished to ask what were the conditions of the patient before this hour when he was seriously ill?—A. Why he was at that time suffering from an attack of asthma, trying to get his breath.

Q. That was at one o'clock and he did not die until four; what was his condition then?—A. The man went home suffering from asthma. He had suffered, as he said, far worse on numerous occasions. He told the doctors: "You are making too much of this thing; I am worse than this often; I am all right." He went home at one o'clock, and along about one o'clock in the morning a clot broke loose, probably from a valve of his heart, and it probably stopped one lung, or a portion of one lung. He could not help but die suddenly, as if he had been struck on the head.

Q. That condition might have been there for an hour?—A. The embolism, no, but the clot might have been there.

By the Chairman:

Q. Are there any other questions?

Witness retired.

The CHAIRMAN: Now, we have a request here from the representative of certain Grand Trunk Pacific employees in Winnipeg regarding their pay during military service. I am not aware of any similar case which has come before this Committee on such a point. A representative of these men has come all the way from Winnipeg to present their views and promises that it will not take too much of the Committee's time to do so.

Mr. GREEN: I move that he be heard.

[Dr. W. C. Arnold.]

Mr. DOUGLAS: I second the motion.

The CHAIRMAN: Carried.

I just want to say to the Committee, so that they may not leave during this inquiry if it runs into some time that I would like to have a short executive session after we finish with Mr. McMurray's evidence.

E. J. McMURRAY called, sworn and examined.

The WITNESS: Mr. Chairman and Gentlemen of the Committee: I appear on behalf of some nineteen men, veterans of the war, who were employed in the Grand Trunk Pacific Railway shops at Transcona, near the city of Winnipeg, at the outbreak of the war, and for some years previous thereto. Between the 1st May, 1915, and the outbreak of the war, these men enlisted. They were machinists, car-repairers, freighters, and boiler makers, and men of those occupations.

I refer to the date as of the 1st May, 1915, for this reason: At the outbreak of the war, or shortly thereafter, a provision was made whereby the Civil Servants of the Government should get the difference between the pay they were receiving as Civil Servants and the pay they got as soldiers in the war, so that the difference between their usual pay, and their \$1.10 a day would be paid to them.

On the 1st May, 1915, the Dominion Government took over the Transcontinental Railway, as far west as Winnipeg, and took over the G. T. P. shops at Transcona.

On the 18th April, 1916, an Order in Council, known as P. C. 903, was passed, which was as follows:—

"The Committee of the Privy Council have had before them a report dated the 13th April, 1916, from the Acting Minister of Railways and Canals, representing that under the Order in Council of the 1st November, 1915, the Government Railways Employees who were employed at the outbreak of the war may be paid the difference between their military and civil pay, if enlisted for overseas service."

That would no doubt be dealing with the employees of the Intercolonial and any other Government railway.

"The Minister states that on the Western ends of the Transcontinental Railway there are a number of men who were employed on the railway and in the shops by the Grand Trunk Pacific Railway Company on the outbreak of the war,——"

These men are the ones I represent, or many of them.

"And who are debarred from participating in Overseas Service with pay by reason of the fact that the Transcontinental Railway was not taken over by the Government for operation until May, 1915.

"The Minister submits that this difference of treatment of Government Railway employees in the west, as compared with the east, is injuriously effecting recruiting, and that it is desirable so that the employees on both ends of the line may be treated alike, that the employees in the west, who were in the employ of the Grand Trunk Pacific Railway Company at the outbreak of the war, should, on enlisting for overseas service, be allowed the difference between their civil and military pay.

"The Minister recommends that authority be given for this action, to date from the 1st November, 1915.

"The Committee concur in the foregoing recommendation and submit same for approval."

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This is the point, Mr. Chairman, and Gentlemen, that the Minister recommends that authority be given for this action to date from the 1st November, 1915. Why they did not go on further back and take into account the men who enlisted sooner, I cannot understand. However, in the fall of that same year another Order in Council was passed,—on the 6th September, 1918.

By Hon. Mr. Bédard:

Q. 1918?—A. 1918. The 6th September, 1918.

Q. What was the date of the former one? Was that not November, 1915?—A. No, the former is dated the 18th April, 1916.

Q. April, 1916?—A. Yes.

Q. What is the number of that Order in Council?—A. It is P. C. 903.

Q. And it was to take effect from the 1st November, 1915?—A. Yes, that is, of soldiers who had enlisted after the 1st November, 1915, going back, you see, some three or four months.

On the 6th September, 1916, P. C. 2177 was passed. The same preliminary as before. Then it goes on to recite:—

“On the 18th of April, 1916, Order in Council P.C. 903 was passed, granting authority to pay to employees on the western end of the Transcontinental Railway who were employees on the railway and in the shops of the Grand Trunk Pacific railway on the outbreak of the war, and who were debarred from participating in overseas service with pay by reason of the fact that the Transcontinental railway was not taken over by the Government for operation until May, 1915, the difference between their civil less military pay and that this authority be made effective from the 1st November, 1915.”

That is referring back to P.C. 903, Mr. Chairman. This order was to correct that. It goes on to recite:—

“The Minister submits that it has been found that there are some employees on the railway and in the shops of the National Transcontinental railway who were in the employ of the railway at the outbreak of war, and continued in that employ until their enlistment, who enlisted between the date of the taking over of the line in May, 1915, and the 1st November, 1915, who are discriminated against in comparison to those on the eastern end of the railway by the Order in Council of the 18th April, 1916, which Order in Council does not permit the Government railways to treat all their employees equally in respect of voluntary enlistment for overseas service, defeating the spirit of said Order in Council.”

If I may encroach upon your patience, Mr. Chairman and Gentlemen, I wish to read that again:—

“Which Order in Council does not permit the Government railways to treat all their employees equally in respect of voluntary enlistment for overseas service, defeating the spirit of said Order in Council.”

“The Minister therefore recommends that the employees in the railway and in the shops of the National Transcontinental railway who were in the employ of the railway at the outbreak of the war and continued as such until the taking over for operation of the line and thereafter until their enlistment in the C. E. F. for service overseas, be granted the same treatment in regard to such enlistment as accorded to other employees of the Canadian Government railways, as of the date of enlistment, effective the 1st May, 1915.”

Now, the Government in the first instance took care, under this Order in Council, of the men who enlisted subsequent to May, 1915, and were in the shops at the out-

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break of the war. They very properly and very wisely took care of those who enlisted after the 1st May, 1915, and the men who were in these shops and who enlisted after the first call of war, the men who had the real merit—they all have merit—but the men with the greatest merit have been left out, and have not been provided for. They are few in number.

By Mr. Morphy:

Q. Your nineteen men are in that class?—A. Yes. Between the 1st August, and the 1st May, 1915, there are nineteen of them. We have made some careful canvasses there, and we cannot find any more. There might be a man or two more, but we cannot find them. We did this for the purpose of putting the material fairly before you.

By Mr. Nesbitt:

Q. The last Order in Council you read dated back so as to include them?—A. No.

By Mr. Green:

Q. Only after the Government took over the road?—A. Yes. Now then here is the argument that may be presented against this. It might be argued that these men were not in the employ of the Government as the men from the 1st May were. Our contention is this: That at the outbreak of the war these men were fellow servants in those shops. They enlisted and were granted leave of absence by the railway. I have before me two written leaves of absence. One of them reads as follows:—

Fort William, Ont.,
June 24, 1915.

“To whom it may concern:

The bearer John Morrison, Bridgeman, has been granted an indefinite leave of absence account of enlisting with His Majesty's Forces for Active Service.

D. Campbell,
B. & B. Master.”

All these men were granted leave of absence, which was posted up in the shops where they worked. They were told that if they went Overseas for military service that they would get seniority. Some of them were granted three months' pay and some six months' pay by the railway. We are not asking anything we think is not proper. We are not asking that they should get the difference from the 4th August, when many of them enlisted, but we do ask that they get it from the 1st May, 1915, because some slight provision was made by the railroad company.

By Mr. Morphy:

Q. To what extent was provision made?—A. Some of them got three months' pay and some six months'.

By the Chairman:

Q. A bonus in advance?—A. Yes, by the railroad. I want to put it fairly before you.

By Mr. Morphy:

Q. Do any of those nineteen men come under that?—A. Some of them did and some did not. The thing was done more or less spasmodically. These men were carried on the staff of the Grand Trunk Pacific Railroad in the shops. They were on that staff. The Government took over that road in May, took over the obligations of the road along with its assets, took over that staff and took over the obligation of the road

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to the staff, and on the first day of May, 1915, these men stood in the trenches in France, servants of this Government. On the 30th day of April, they stood there as servants of the Grand Trunk Pacific Railway, but on the 1st of May, when provision was made for all these other men who enlisted after that date, these men stood in the trenches in France servants of this Government, and as servants of this Government they stood side by side afterwards with the other men out of their shops who went there after them. Two men stood side by side, one getting his full pay from the Government, and the other man who enlisted earlier, the servant of the Government, if my contention is correct, standing beside him, drawing \$1.10 a day.

By Hon. Mr. Béland:

Q. Can you tell us the position of the Canadian Pacific men who enlisted in this regard?—A. No, I have no information on that at all. I presume that they were not Government servants.

Q. I want to know whether the Canadian Pacific Railway had made any provision outside of the salary they were getting as soldiers?—A. I cannot tell you that, I do not know.

By Mr. Morphy:

Q. Can you tell us whether or not the statement put before the Committee has ever been brought to the attention of the Government, or tell us why there has not been an Order in Council passed long ago to prevent the disparity between the two classes?—A. I will try and answer that. I was approached by these men sometime last year. They apparently did not know what their rights were. We live away out in the West and news percolates out to us slowly sometimes. I came down a year ago and found out about the Orders in Council, and approached the Department of Railways and Canals. I found out what had been done. I went back to the West and perfected my materials. I have sworn affidavits in each case, the length of time and everything. Not only did I get some of these men, but I got the cases of men who enlisted after the 1st of May, 1915, who had never put in their claim. There were some seventeen of them whose claims have since been put through, and they are now down at Moncton. Some of them brought up and the others have all been approved of. It was a case of careful checking. That, sir, is the delay.

Q. You have not answered my question. Was it ever put before the Government who passed the other Orders in Council, as we are putting it here, and was there any refusal to deal with it?—A. No, we have never done it, except the application I made to the Department of Railways and Canals.*

By Hon. Mr. Béland:

Q. Have you considered the question of some of the nineteen men having received an advance of 3, 4, 5, or 6 months' pay as the case might have been, and having enlisted in the months of May or April, 1915, in each case? They would have received money for months after the first of May. Do you catch my question?—A. I have not a single instance of that. I have taken the affidavits of these men. Those affidavits will be before the Committee. I cannot recall a single instance of a man—in fact I do not know of an instance of a man—who got more than three months' pay, and I do not know any man who would be paid past the first of May. However that is purely a matter of routine work.

Q. Of adjustment?—A. Yes, and it can be checked up.

Q. You would not claim anything for these men if they had received an advance covering months after the 1st of May?—A. No, I would not.

* See also p. 304.

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By Mr. Morphy:

Q. Is there any department of Government at all to whom this has been submitted?—A. No. The other claims of the men apparently were dealt with by the Privy Council separately.

Q. Have you ever heard the reason why the men for whom you seek relief were not included in the Order in Council, unless it was an oversight?—A. No, I have heard no reason, and I do not think there is any reason.

By Mr. MacNutt:

Q. Were any of the men who enlisted killed overseas? Was nineteen the whole number?—A. I think there was one man killed.

Q. Only one?—A. Only one man.

Q. Are you not including some provision for his dependents?—A. Yes, that claim would be submitted through the Surrogate Court. There would be a probate of the deceased soldier's will, and if this claim is granted, of course the proceeds would go to the widow.

Q. That is included in the nineteen?—A. Yes, a man by the name of Hardy.

Hon. Mr. BÉLAND: I think we have the matter pretty well before us, unless the gentleman has some other matter to bring up.

Mr. NESBITT: I would suggest that the affidavits he mentions should be left with the Committee.

The CHAIRMAN: I have the affidavits right here.

By Mr. Nesbitt:

Q. Why did you not submit the claim of these nineteen men to the Minister of Railways, or to the Government, before you came here?—A. I will tell you; in reply to that I may say I placed this matter in the hands of an experienced counsel here in the city, who, it is regretted died last evening—Mr. Bethune—and he considered it from every angle, and he concluded this was the proper channel to approach. We had considered the Department of Railways and Canals and we had considered the Great War Veterans. It was either a matter of bringing it straight to the Privy Council or bringing it through this channel. And he considered that this was the proper channel.

Q. And you chose this channel?—A. Yes.

By Mr. Morphy:

Q. What has become of these men now? Where are they?—A. The majority of these men are back working beside their companions in the shop, one or two men in Manitoba. They are working there as servants of the Government, as I contend they were, on the 1st of May. I contend they are servants now. They are with the men who went away after they went. They are working at the same shops and they are working beside them now; and they are treated differently. What we ask is that, in the spirit of Order in Council P.C. 2177, they be treated alike.

By Mr. Edwards:

Q. There has never been any disposition up to date on the part of the Government to dispute your contention on that point?—A. I know of absolutely none.

By Mr. Spinney:

Q. Why were these cases not presented to Council?—A. I came down last year, and you must understand that these men are very dilatory. For instance, there were seventeen of these men who had claims under P.C. 903 and P.C. 2177 and never bothered submitting them, and there are men out there yet who never put in claims

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that they are entitled to under those Orders in Council. About half of those men came to me and I came down and looked over the field. I consulted with counsel here and decided on the course we have taken.

By Mr. Nesbitt:

Q. Do your affidavits show the date of enlistment and discharge?—A. Yes, everything fully.

By the Chairman:

Q. Have you computed the aggregate additional expenditure by way of paying under these claims?—A. Yes, sir, as near as we can compute; it would probably be between forty and sixty thousand dollars.

Q. Between forty and sixty thousand dollars?—A. Yes.

By Mr. MacNutt:

Q. Were these men given their seniority?—A. Yes, I forgot to mention that. They were granted their seniority by the Government upon their return.

By Mr. Arthurs:

Q. In other words, so far, their treatment has been all right so far as you know?—A. Yes, and ought to be.

By Mr. Cooper:

Q. You are making no difference between the men who obtained leave from the company to go overseas and the men who did not obtain leave? You are taking them all together?—A. I understand they all obtained leave. It was posted up in the shops, granting them leave; and it just happened to be that I had heard the case of two men who had written leave.

By the Chairman:

Q. I want to make clear the method of computation which has been adopted. There is attached to each affidavit, the schedule of the man's claims and how it is made up, and if we are going to consider these, I think we ought to know exactly on what basis it is made up. In the first place, I notice the latest enlistment is February, 1915. They run from August, 1914, to February, 1915. As I understand you, the claim has really been dated from May 1, 1915?—A. Yes.

Q. So that the computation might have to be altered in that respect?—A. Yes. I might say in reply to that that I have computed that back to the date of enlistment, for the simple reason that the Government or the Department of Railways and Canals, in computing the claims of the men under P.C. 903 and P.C. 2177, computed them back to the date of their enlistment. Of course, there would be that distinction here. I do not think we can claim them before the 1st of May.

Q. The dates of enlistment in the other cases are all subsequent?—A. Yes.

Q. Then there is no deduction in your statement of any bonus that had been paid? I understand from you that you are prepared to have that bonus taken off.—A. Oh, no, sir; I would not say that, because whatever bonus would be given would be before the 1st May, 1915, and we simply ask the pay from date of enlistment.

Q. Suppose a man enlisted in January or February, 1915, and got a six months' bonus?—A. If he got a six months' bonus, in that case it would be entitled to come off whatever he got, that would extend past the 1st May, 1915, but I know of no cases.

Q. Generally speaking, you have made up your claims exactly the same as they were made up by the Department of Railways and Canals?—A. Yes.

Q. I just want to know the methods of making up these claims. The rate of pay is given for the various periods, the pay being increased during the war. It starts

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in the case before me at 40 cents an hour, and ends at the time of the man's discharge at 72 cents an hour; the claim is computed during each of those periods, and I suppose those hours are reached by taking eight hours a day for a certain number of days?—A. Yes, whatever the hours they work in the shops.

Q. Then the result is carried to another column—the total claims—and there is deducted from that total result, the pay which the soldier received. In the first case the soldier must have been an Imperial soldier because the pay is credited at two shillings a day, and in the other case it is \$1.10 a day?—A. Yes. If I may interrupt, some of these men were in the Imperial army; the majority went with our own forces.

By Mr. Douglas:

Q. You are asking for that difference of pay only up to the time that the Order in Council respecting it was passed, are you not? There was a time when there was no difference between civil pay and military pay; you are asking up to that time?—A. Up to the date of discharge. In all other cases they are granted pay to the date of their discharge. There did come a time, on the 29th May, 1917, when any man who enlisted after that date got merely military pay, but the department in dealing with all the other cases carried them right on to the date of their discharge.

By Mr. Nesbitt:

Q. That is those who enlisted before 1917?—A. Yes, sir.

By Mr. Caldwell:

Q. Were all the others who enlisted before the 1st May, 1915, granted the increase in pay the same as the men in the shops?—A. Yes, some of these men. For instance, take the case of a man being an apprentice boiler-maker, he might be getting 23 or 24 cents an hour. He changed from an apprentice into a journeyman overseas. He came back and got his seniority.

By Mr. Morphy:

Q. On the question of time?—A. Yes, the Government recognizing that and granting it to him as their employee. I have with me one of the men who enlisted overseas and who worked in the shops.

Mr. NESBITT: You have put it very clearly.

The CHAIRMAN: I think we have the whole case very fully.

Is there anything else before the Committee go into executive session?

Mr. REDMAN: Dr. Hart is here.

The CHAIRMAN: I am afraid Dr. Hart's address will take a good deal longer time than we have at our disposal, but if the Committee desire to hear Dr. Hart now—

Mr. NESBITT: It depends on Dr. Hart. He is a very busy man; a very important man in this country. He is one of the tuberculosis specialists employed by the D.S.C.R. We have had him here for several days.

Mr. PARKINSON: Dr. Hart will be available any time you want him between now and next Tuesday.

Witness retired.

The Committee adjourned to go into executive session.

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COMMITTEE ROOM 435,
HOUSE OF COMMONS,

FRIDAY, April 8, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Nesbitt, the Vice Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Redman, Savard, Spinney, Turgeon, Wilson (Saskatoon).—17.

The CLERK: I have here, Mr. Chairman, a communication relating to a specific case by the name of Lombard, from Mr. MacNeil.

The ACTING CHAIRMAN: That is to be sent to the sub-Committee.

The CLERK: Also an additional communication respecting the case of Mr. W. J. Ball.

The ACTING CHAIRMAN: Send that also.

I might say that the sub-Committee sat the night before last, but their report has not been received yet. I had to make some corrections in it, so that it will not report this morning.

We have Mr. Topp of the Insurance Department here; we want to hear him about some additional amendments to the Insurance Act.

Major C. B. TOPP, called, sworn and examined.

By the Acting Chairman:

Q. You belong to the Soldiers Insurance Department?—A. Yes.

Q. Will you just explain what you want to bring before the Committee?—A. If I may be permitted, before taking up these amendments which we have recommended, I would like to make a general statement to the Committee with regard to the operation of the Act at the present time, and the general attitude of returned men towards it. I have just recently returned from a trip throughout the country during which I met various officials of Veterans' Organizations and addressed meetings in all the principal centres on the Insurance Act. It is most apparent that the great majority of returned men do not understand the provisions of the Act, and I think unless we take some further steps to make the information available to the men, that the department will be open to the charge at the end of the two years' period that the men have not been given a fair opportunity to take advantage of the Act.

The ACTING CHAIRMAN: Mr. Topp has circulated this morning to the Committee a memorandum showing what the department has done towards publicity; it is attached to this proposed amendment, and you all have a copy of it. So he might just roughly explain what he has been doing with reference to giving information. Is that what you are going to do, Mr. Topp?

The WITNESS: Yes, sir. This statement which has been circulated just gives a rough idea of the steps that have been taken up to date, by the Committee, to circulate information. I think every possible source by which the men could be given general information has been utilized. The point I want to make in that connection is that I think it is necessary to undertake some personal explanation of the Act if the men are really to be given a fair opportunity of taking advantage of it. The

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present mis-understanding, I think, is purely due to the nature of the printed matter that has been issued, and it is partly due to the activities of the agents of private companies. The insurance men generally have been very nice to us; they have expressed the opinion that it is a most beneficial measure, and so on; but the private agent, working on a commission basis, making his livelihood that way, has, I think, possibly misrepresented this insurance, with the result that many men have been deterred from taking it up. Another thing,—I met a number of individual cases on my trip in which men were paying much higher premiums than was necessary, due to information they had received from private life insurance agents. The War Veterans' Association has co-operated with the department very well, to the extent of handing out to their members and to other soldiers who use the Club premises the booklet, and so on, which we have issued; but I found that even the Veterans' officials did not have a proper idea of the benefits of the Act, and they were not in a position to really give assistance to men desiring to apply.

A further point, Mr. Chairman, is the fact that up to the present, the mortality among policy holders has been extremely high. The total liability on account of death claims that have already occurred considerably exceeds the premium income, and that does not include the cost of administration of the Act. So that I think it would be most advisable to undertake some further campaign if only for the purpose of increasing the premium income, and thereby relieving the Treasury of the Country from additional strain in the payment of immediate death-claims. Mr. Finlayson has informed me that while there may be no profit in getting a larger volume of business among standard risks at the same time there cannot be any loss, whatever. The rates are high enough to prevent any loss on a standard risk, and by getting a large number of standard risks we would immediately increase our premium income and would be able to pay the death claims which are bound to occur anyway, out of that income. Then, as I said before, the claims occurring on account of standard risks can be paid without loss to the country.

By Mr. MacNeil:

Q. Do you recommend personal solicitation Major?—A. I would not go to the extent of recommending the appointment of a large number of agents throughout the country to canvas for insurance, but I do think that a limited number of thoroughly informed men should be sent round through the country to explain the Act and to offer the insurance to returned men without trying to obtain it under pressure.

Q. Under present circumstances, to whom at the large centres may they refer for information?—A. At the present time they may obtain information from the Department of Soldiers' Civil Re-establishment, or they may obtain printed matter from the various branches of your association and other veterans' organizations. These are the only means.

By the Acting Chairman:

Q. Or they can get it from the department?—A. Yes, they can get it direct from the department. The difficulty in getting it direct from the department lies in the fact that life insurance does not readily lend itself to clear concise explanation by means of printed matter. The average man does not understand any life insurance until he has had it explained to him in person, and we have found that even though we try to write a clear explanation of the Act, the great majority of the men do not understand it, or do not appreciate its advantages. The experience of life insurance companies has, I think, conclusively proved that life insurance of any description must be sold. A man seldom comes forward to an agent for insurance.

Q. What would be your view with reference to any pressure that you might bring as to whether they would continue? You know in life insurance there is an enormous

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number of lapses. I want to know if you pressed or urged insurance.—A. The pressure that is exerted by life insurance agents to obtain business is largely the result of the fact that agents are paid on commission basis. My idea would be that we should appoint salaried representatives who would be given strict instructions that applications were not to be obtained under pressure. The idea would be simply to place before the man a statement of the advantages he may obtain under this Act, and then leave it to the man to say whether he would insure or not. The agent would be present to fill out his application for him and tell him how much the premium was, how the benefit would be paid, and so on, and I think a large number of lapses would be avoided in that way.

Q. Have you many lapses now?—A. Very few. The percentage of lapses on the business already obtained is about one-half of one per cent.

By Mr. Morphy:

Q. How does that compare with standard companies?—A. The ordinary companies have a very high lapse proportion; in some cases thirty per cent within one year.

Q. What would you suggest as the "try-out way" if I may use that expression, of solicitation by a paid agent, to test out the value of your suggestion? Where would you place agents? In large centres, where large numbers of soldiers live? —A. I would place them in the first place in the large centres, where a large number of soldiers could be reached.

Q. And then about how many would you suggest, having a knowledge of the location of soldiers in large numbers in the country?—A. That would depend entirely on the extent to which we were prepared to go. I should think we could make a start with about twenty-five or thirty agents; we could give the scheme a try-out.

Q. How would you suggest that they should be paid?—A. We would pay these representatives a straight salary. I think the cost, including travelling expenses for these agents, on the basis of appointing twenty-five, would be about \$100,000 for the first year.

Q. Would you have female agents as well as male agents?—A. No, sir, I would say not.

Q. Why not?—A. I do not think the females are particularly interested in insurance of any sort.

Q. Do you not associate the large number of lapses with the wife of the soldier? —A. I am not prepared to express an opinion on that point, because my insurance experience does not cover a long enough period to give me an opportunity of saying.

Q. Suppose you had five remarkably bright women who had been overseas as nurses; do you suppose they would be able to be as effective an agent, especially if they were married, as any man in soliciting insurance and asking that the soldiers should take out insurance?—A. That of course might very well be given consideration. I think perhaps a man's wife, or some other dependent, would perhaps exercise a good deal of influence over him in taking insurance.

Mr. MORPHY: My idea is this, that a woman agent would approach the wife of a soldier, probably that wife having children by that soldier. There is nothing will appeal to a woman like another woman urging insurance, and she works upon the husband.

Mr. COOPER: A personal policy.

Mr. MORPHY: Yes, but I want to bring his ideas out, that is all. We cannot get any policy if we do not ask questions.

WITNESS: That point has not been considered by the department as yet. I think it would work very well.

Mr. MORPHY: I will leave it there.

[Major C. B. Topp.]

Mr. EDWARDS: Has the witness said how many policies have been issued, and for what amount, up to the present?

The ACTING CHAIRMAN: Yes, they gave us all that information the first day. We are losing money so far. He suggests canvassing to get more normal risks. The loss would not be \$100,000 extra.

Mr. EDWARDS: I do not see any advantage in it. Does he propose to make something on the standard risks?

The ACTING CHAIRMAN: No, they carry themselves; that is what the Superintendent of Insurance says.

Mr. EDWARDS: If they just carry themselves and no more, how are they going to help those who do not carry themselves?

The ACTING CHAIRMAN: That is for us to consider.

Mr. EDWARDS: I should like him to explain that if he can. I cannot see it for my part. We have had a number of subnormal risks that do not carry themselves. How is it going to help that by getting normal risks which just carry themselves and do not leave anything over?

WITNESS: The normal risk would carry itself; the rates are high enough at the present time to enable us to insure a fit man without loss.

By Mr. Edwards:

Q. You do not propose to take from the normal risk any more than enough to carry that risk?—A. Not a cent.

Q. Then if you don't take from the normal risks more than you require to carry the normal risks, how is the insuring of that person going to assist you in your deficit under subnormal?—A. It is going to assist us only in this way, that our immediate premium income will relieve the treasury of further strain.

Q. Just by way of a temporary expedient. In regard to your income, you will be getting an income from a greater number of persons who are not likely to die, all good risks. Your income will be increased, but that is only temporary.—A. Exactly.

Q. I do not see any advantage in that as a Government proposition at all, except for the Government for the time being.—A. The only advantage there is, the country has a great many obligations to meet at the present time, and any additional strain should be considered, if we can do it without adding to the liabilities of the country, which we can do in this case.

The ACTING CHAIRMAN: I might say to the Committee that Mr. Topp's idea of making this survey of the field and explaining is to add more normal risks. The expense, as illustrated by me, of \$100,000, would be more, so far as the Government is concerned, than the saving, by taking it as it has already been taken; that is, taking a subnormal risk. I only give it as an illustration as to the position we would be in. What I can see in it is that it would be of benefit to the soldier himself, not to the Government.

Mr. MORPHY: I did not get your last remark, Mr. Chairman.

The ACTING CHAIRMAN: I said that the only reason I could see for sending these field men out would be for the benefit of the soldier himself to get into insurance, not the Government; it would be an expense to the Government. There is no doubt about that, as Dr. Edwards has pointed out.

WITNESS: There would certainly be an ultimate expense to the country in carrying out this idea, though of course the immediate expense would be more than provided for out of the premium income. It would not be immediately considered.

The ACTING CHAIRMAN: It might be.

[Major C. B. Topp.]

APPENDIX No. 2

Mr. MORPHY: Instead of 25 or 30 agents being sent out, suppose that in each of the five largest centres of Canada you had an agent, five in all. Would they not help the publicity work of the department? The publicity would go beyond those cities, and they would be an advertising medium for the whole Dominion. Those five agents would not cost anything like \$100,000, and you might get better results.

By Mr. Wilson:

Q. Would it not be a better scheme, and one not so costly, if you enlisted the services of the secretaries of the various G.W.V.A. Associations, and gave them some consideration for the interest they would take in attending to applications?—A. The only objection to that suggestion, sir, would be that it might result in our procuring a number of men under pressure more or less. The man might be looking towards his commission rather than towards the desirability of getting the man insured for his own protection and benefit. There would very likely be a large proportion of lapses under any scheme of paying agents on a commission basis.

The ACTING CHAIRMAN: Of course, we will have to take this suggestion of Mr. Topp's into consideration, and discuss it at our executive meetings, but in the meantime, I would suggest that in place of having 25 men covering the country could it not be arranged to have say one man for each province, such as we have in the ordinary insurance field, a man whom they call a Superintendent of Insurance. He goes into the locality and instructs the agents. Could it not be worked just the other way so that you could have meetings of the Great War Veterans prepared ahead, just as in the case of a travelling troupe? Then at the meeting he could address them and explain to them the provisions of the Act and take application, or he could address them and explain the matter to them individually at the meeting. One clever man could cover a province in that way, and enlighten the returned soldier. How does that strike you?

WITNESS: I would consider that probably the very best way of making a start with this idea. That, in fact would be, I think, the method which the department would employ if this proposal went through. I do not think that there is any intention of appointing a large number of agents right at the start until we know beyond any possibility of doubt that by doing so we may get a good proportion of fit men to insure.

Mr. EDWARDS: Is not our obligation, Mr. Chairman, not so much to the returned soldier who is physically fit, so far as insurance is concerned, because he can get insurance with the standard straight line insurance companies without any of the restrictions that we have found it necessary to put in our policies? Our obligation, it seems to me, from the start, has been to the soldier who cannot get insurance in any line company. My understanding of it is that it is up to us to give that man information that we have this benefit there for him. If you can get that information to that man, certainly it is going to increase the cost to the Government. Everyone that you get insured we understand, would increase the cost. The Act was passed for his benefit and for the benefit of his family. I do not think that we are under any obligation at all to the returned soldier who can get insurance wherever he chooses. Nor do I think that it would be of any particular benefit to him to take it out with us or any ultimate advantage to the Government. But it does seem to me that it is up to us to let the returned soldier who cannot get insurance anywhere else know that he can get it with the Government, and in letting him know that we are certainly increasing the financial obligations of the Government, for every one we take increases our loss.

The ACTING CHAIRMAN: I think that is their suggestion,—to look after, not so much the sound man, because the ordinary insurance agent will do that, as the other.

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Mr. EDWARDS: I cannot see the advantage of trying to get the sound man who can insure in the ordinary companies. I do not think that was the purpose of the scheme.

The ACTING CHAIRMAN: From my experience of the life insurance business, I know a great number of subnormal risks that the ordinary company will not take without a lien or a higher premium, are perfectly good risks. That is to say, they live longer than the fellows who pass through the ordinary insurance companies as perfectly normal risks. I think that has been the experience in the insurance world. Still the ordinary companies have certain rules and regulations laid down. I know that in my earlier experience the men who were refused by two or three different companies and with whom I had a great deal of difficulty are still alive and well and as hearty as I am. Others who were absolutely all right died very shortly afterwards.

Hon. Mr. BÉLAND: That comes from the family history.

Mr. EDWARDS: There was a case down in my section of the country where it was doubtful whether the man could establish his claim to a pension. He was dying of tuberculosis, but there was a doubt as to whether he could establish his claim that his disability was caused by overseas service. I advised his wife and advised him to take out insurance. He took out full insurance as a protection for his wife and family. He died shortly afterwards. His claim to a pension was heard, and established, and pension has been authorized for the widow and children; but if she had not been able to establish her claim she would have had the insurance. Now, it is just such cases that should be given attention so that they may know that they can avail themselves of this insurance.

By Hon. Mr. Spinney:

Q. Do they not get that information now from the various G.W.V.A. officials?—A. The point I want to make is whether additional information could not be given to the soldiers through the various associations?—A. They may now get personal information from the D.S.C.R. where there is a D.S.C.R., but of course where there are no officers of the D.S.C.R. they only get garbled reports. The man in the small town cannot get any personal report.

Before leaving the subject, I might say that I have presented this suggestion to the Committee at the request of various officials of soldiers' organizations whom I have met all over the country. Their point is that while perhaps the fit men can get insurance anywhere, there are at the same time a large number of sub-normal risks who are not taking advantage of this Act because they do not understand it. They feel that it is the duty of the Government to the returned men to give those sub-normal risks particularly, a fair opportunity of taking advantage of the low rates offered here. That is the whole idea of the suggestion. I just present it to the Committee for what it is worth.

By Mr. MacNeil:

Q. In what manner and to what extent has this insurance been misrepresented by the representatives of other insurance companies?—A. I find in every centre individuals who have been told, for instance, that if they took this insurance their disability pension would be deducted from it, and there have been various other misrepresentations of that nature.

Q. The present wording of section 10 is largely responsible for the suspicion which the disabled men have of this insurance?—A. Section 10 is entirely responsible for the suspicion of misrepresentation that has taken place up to to-day. The men do not understand the application of the Pension Act in its relation to the Insurance Act, and that misunderstanding is capitalized by the agents.

APPENDIX No. 2

Q. In your opinion would it not be an ultimate saving to the country to have the sub-normal risks insured and prevent their becoming a public charge in other ways?—A. My personal opinion is that it certainly would be to the ultimate advantage of the country to have those men in.

By the Acting Chairman:

Q. Just what do you mean by becoming a public charge in any way? If they are pensioned, of course as we know the pension takes the place of the insurance; that is if their families are pensioned—in case of death. Then what do you mean by becoming a public charge?—A. A typical case would be that of a man who had married subsequent to his disability. On his death his wife would receive no pension or other compensation from the Government. That means that the widow might be left absolutely destitute with a family of small children. It would then be incumbent on the State to assist that woman to some extent, possibly not the Dominion Government, but some charitable organization would be responsible for the care of that woman and family.

Q. It would be municipal or provincial in Ontario.—A. On the other hand, if that man had been insured the woman would be protected until she could make some other arrangement for her support.

By Mr. Douglas:

Q. You spoke of sub-normal cases? Is a sub-normal case not eligible for insurance to-day?—A. Oh, yes, the sub-normal man is the man for whom this Act is particularly intended.

Q. And if in that case you instance he took out insurance, the wife would not then be in a dependent position?—A. She would not.

Q. But you are arguing that if a man does not take out insurance he becomes a charge on the State?—A. I am arguing that it would be in the interest of the country to get these men insured and make them at least bear a portion of the cost of the dependents.

By Mr. Douglas:

Q. Will you explain the amendment? You suggest that section 6 of the Act be repealed and the following substituted therefor—

By Mr. Morphy:

Q. What is section 6?—A. Section 6 of the Act at present provides that when an applicant for insurance is an unmarried man, the policy shall be issued in favour of his future wife. Now if that man dies unmarried, according to the section, the insurance benefit becomes part of his estate, and, in the absence of a widow, is divided, according to the laws of the province in which the death occurs, among the surviving relatives who are named in the Act as the persons to whom payment may be made. The effect of that section is that when a single man applies for insurance, and, for instance, asks to have his mother made the beneficiary we are obliged to write him and tell him he cannot make his mother the beneficiary except by means of making a will. He does not understand why he should be asked to comply with that formality, which sometimes costs him some money. He has to go to a lawyer perhaps and make the will naming his mother as his beneficiary. Then when a claim occurs, before we can settle that claim we must obtain a notarial copy of the will or probate of the will, or if no will is left, we must obtain letters of administration before the claim can be settled. We have a number of claims that have been delayed at the present time owing to that very reason, and I think it is in the best interests of the men, and certainly it would facilitate the administration of the Act if we could have that amendment passed. By

[Major C. B. Topp.]

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incorporating this amendment in the Act we will be able to issue a policy in favour of the future wife; then add a clause to it that in the event of the death of the insured unmarried, the insurance money shall be paid to, for instance, Mary Smith—

By Mr. Copp:

Q. To anyone he designates?—A. Anyone he designates within the provisions of section 4, which sets forth the relative to whom payments may be made. The amendment does not in any way affect the right of the wife as a preferred beneficiary in either case, but it merely provides that if a man dies unmarried the money shall be paid to a certain other relative whom he might designate.

By Mr. Douglas:

Q. Why would you eliminate the mother from the list of relatives that money may be payable to?—A. We do not do that, sir; he may name anyone.

Q. The mother is included in the list?—A. The mother, brother, sister, or any relative, is included in the list.

By Mr. Copp:

Q. How do you interpret section 4 of the Act which says—

“The said payment shall be made to the wife, husband, child, grandchild, parent, brother or sister of the insured, or such other person as may by regulation as hereinafter provided be declared to be entitled to become a beneficiary under the contract.”

A. We interpret that section to mean any blood relative as set forth, or any person who can be considered as being in the place of a blood relative, for instance, a foster mother of the insured.

Q. It says any other person?—A. We have a regulation made under section 17 which designates a foster parent, foster child, and so on. We cannot name any other person except those set forth in that regulation.

Q. But you could change the regulation when you saw fit?—A. We could change the regulation by Order in Council if necessary. That, however, does not affect the amendment.

By Mr. Douglas:

Q. In connection with the declaration made by the beneficiary as to whom the insurance shall be paid, what objection would there be to the beneficiary naming his sweetheart in the declaration?

The ACTING CHAIRMAN: She is supposed to be his future wife.

By Mr. Douglas:

Q. The man might prefer to leave his money to her rather than to his brother, who can take care of himself?—A. As I understand it, the object of this Act is to protect those who are depending on insurance.

Q. It does not follow that the brother would be dependent?—A. No, sir, at the same time the brother might be dependent. It is the brother that is actually named in the Act. That is purely a question of policy. If the Committee sees fit to recommend throwing the Act open to anyone—

Q. Of course, he could dispose of his insurance, by will, to anyone?—A. He cannot dispose of his insurance by will to any person other than the person named in the Act.

Q. Will the law of the land sustain you in that?

Hon. Mr. BÉLAND: That is the law of the land.

Mr. DOUGLAS: It is the law of the land only in regard to this Act.

[Major C. B. Topp.]

APPENDIX No. 2

The ACTING CHAIRMAN: That is the law of the land; that is the law that governs. We purposely made it so.

Mr. MORPHY: Notwithstanding the fight I made against it. It has led to many injustices.

The ACTING CHAIRMAN: That is the first clause, what is next?

WITNESS: The second clause is simply an amendment that would be necessary if the first amendment were adopted. It just gives the law the same application in cases of married men and single men.

The ACTING CHAIRMAN: We have several other proposed amendments by the Department which the Committee will have to consider in executive session, and this, I presume, will go with the others, and be considered in due course. But I would suggest to the Committee that we have the Superintendent of Insurance recalled with reference to these proposed amendments in order to explain how they will affect the whole Act, because in this matter of insurance we have to be careful.

By Mr. MacNeil:

Q. Referring again to section 10, it is true, is it not, as the Act at present stands, that the disabled man who dies from disability gets no benefit from his insurance?—

A. He gets no benefit from his insurance unless the marriage took place subsequent to the appearance of the disability, or in the case of a single man with dependents.

Q. Do you find a demand among those men for an opportunity to take advantage of the insurance to supplement their income?—A. That is a question of policy, I think.

Q. Do you find any demand for that?—A. I found that at every meeting I attended there was a demand for an increase in the amount of the insurance for that and other purposes.

Q. Was there any demand for accident and sickness insurance?—A. There was, yes. I met a number of amputation cases, for instance, men without legs, arms, and so on, who informed me that they were unable to obtain accident insurance; particularly from line companies.

Q. Would you care to express an opinion as to the practicability of such an extension of the Act?—A. I would prefer not to express an opinion because, as I understand it, it is purely a question of administration. If we could give the returned men accident insurance without unduly increasing the cost of administration, I would be in favour of it, but I have had no experience whatever with the administration of accident insurance, and my opinion would not be of any value.

By the Acting Chairman:

Q. Cost of administration? What about the cost to the country?—A. I do not think the cost would be very heavy.

Q. To the country?—A. No, sir; accident insurance.

Q. You do not know much about accident or sickness insurance. That is part of my job. They get sick awfully sudden, and stay sick a long time?—A. I prefer not to express an opinion.

Q. We have had that before us, anyway?—A. I believe that has been submitted by someone.

By Mr. Morphy:

Q. I suppose you would differentiate between accident insurance and sickness insurance. You are much in favour of accident insurance, as between the two?—A. I am not prepared to express an opinion on that point. I can only say that there is a demand for both accident and sickness insurance. Personally, I do not think that accident insurance would be very expensive, but sickness insurance certainly would be.

Witness retired.

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The ACTING CHAIRMAN: I understand Mr. P. H. Morris, of the Patriotic Association, is here.

Mr. P. H. MORRIS, called, sworn and examined.

The ACTING CHAIRMAN: Mr. Morris is the Executive Secretary of the Patriotic Fund, and I think Mr. Nichol is the Honourary President.

WITNESS: No, Honourary Secretary.

Mr. DOUGLAS: Mr. Morris is Secretary for the whole Dominion of Canada?

The ACTING CHAIRMAN: Yes.

By the Acting Chairman:

Q. Would you tell the Committee generally, what the Fund is distributed for, and about how much there is left of it. I think you have given us that information before?—A. Well, at the end of February we had on hand the sum of \$6,156,976. The other question, as to how the money is distributed, entails a rather lengthy answer, Mr. Chairman. Will it be satisfactory if I file with you our regulations, to give you the information?

The ACTING CHAIRMAN: Mr. Morris suggests that he file with us a copy of the regulations. Perhaps he would roughly explain it to us.

WITNESS: We divided our relief into two sections—emergency relief, which we give for temporary needs or accidents to ex-soldiers with dependents and their families; then regular relief consists of monthly payment to several classes. That is in case of chronic or extended illness of the breadwinner, rendering him wholly incapable of supporting his family. We pay him a regular monthly allowance. In cases where the dependent is ill—tuberculosis or some permanent malady—we assist with the continuous expenses. We pay monthly allowances to non-pensionable widows; we pay monthly allowances to deserted wives, also monthly allowances to widowed mothers or other mothers who have been abandoned by their ex-soldier sons either through marriage or plain desertion. We also under certain conditions supplement inadequate Imperial pensions. If, for instance, a man has an Imperial pension which cannot be supplemented by the Canadian Government owing to existing legislation in that matter, we supplement it.

By Mr. Edwards:

Q. Do you give the figures in each case?—A. The rate of allowances.

Q. But does it give the particulars of the money you are paying out?—A. No, because these were prepared before we began to pay out, but I can give you that information if you would like it.

By Mr. Copp:

Q. How does the amount in your hands at the end of February—\$6,000,000—compare with the amount in your hand a year ago? Has it diminished?—A. Yes, we are spending \$160,000 a month, and of course during the summer months we shall not have to pay out so much on account of emergency sickness and so on.

Q. How about the claims on the fund? Are they diminishing?—A. No, they have steadily increased up to the present time.

By Mr. Douglas:

Q. In your list of claims that you are allowed to pay—is that a hard and fast rule? I mean can you pay claims to any other than those you have enumerated?—A. We have a clause in our regulations that other cases can be specially considered, but I cannot recall any case that has so far appealed to the judgment of our Committee.

[Mr. Phillip H. Morris.]

APPENDIX No. 2

Q. I have a case of a boy who enlisted from Edmonton, at the age of sixteen, went overseas, and served with the troops. He was the support of his mother, a widow. He came back here, and unfortunately demobilized in Nova Scotia. I do not know of any reason why he should do that, but he did it, and has been residing there for nearly two years since demobilization. The mother is very anxious to have him home. He has not been able to save enough money to take him home. Is there any provision whereby the Patriotic Fund would send that boy home?—A. I think we might do that, yes, but has that boy not a claim on the Government for transportation right through?

Mr. DOUGLAS: Apparently not. That is the point. The Government takes the view that if he had elected to demobilize in Edmonton, where he had enlisted, they would have sent him there, but he apparently elected to demobilize in Nova Scotia.

Mr. MORPHY: How old was he then?

Mr. DOUGLAS: Sixteen when he enlisted, and probably nineteen now.

Mr. CHISHOLM: What is he doing?

Mr. DOUGLAS: Working, trying to make money to take him home.

Mr. CHISHOLM: I should think he could easily make enough to go home.

Mr. DOUGLAS: I should imagine the fare from Nova Scotia to Edmonton would be about \$75.

Mr. CHISHOLM: How long was he working in Nova Scotia?

Mr. DOUGLAS: I think about two years.

Mr. MORPHY: He cannot earn that much in Nova Scotia.

Mr. COPP: He is not a very apt student or he would steal enough by this time.

Mr. MORPHY: I said earn it.

The WITNESS: There is one point that would have to be rather definitely established now, and that is that he was really supporting his mother when he enlisted. He was then sixteen.

Mr. DOUGLAS: His mother is on a farm, and he is anxious to get back and work there.

The WITNESS: His mother is a widow?

Mr. DOUGLAS: Yes, and she made application to the Soldiers' Settlement Board and all the other organizations, but they have not any provision for it.

The WITNESS: How is the mother living now?

Mr. DOUGLAS: I presume she is living as best she can live. She is not English. The name is Kephardt, German extraction, and the boy I understand was born in Canada, or I fancy he could not have got Overseas. As a young boy might do, he would probably say "I have seen two or three kinds of different life, and I am going to stay in this country where the ship landed."

Mr. MORPHY: Had they any right to take a boy of sixteen?

Mr. DOUGLAS: Well, there were thousands of them taken.

Mr. CHISHOLM: Are you sure the boy wanted to go?

Mr. DOUGLAS: Yes.

Mr. CHISHOLM: It seems strange that a boy of nineteen could not earn enough to take him home. I say that from the knowledge I have of the work that is available down there. However, I am not going to throw cold water on the proposition.

By Mr. Copp:

Q. What are the expenses of maintaining this organization?—A. The total administrative expenses annually for the entire country are about \$150,000.

Q. That is what it costs to take care of matters and distribute the money?—A. Yes.

[Mr. Phillip H. Morris.]

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By Hon. Mr. Spinney:

Q. Are these local branches not carried on free of charge for services of the officials?—A. In a great many places yes, but in Toronto we have to maintain a paid secretary and staff.

Q. In my own town the Directors during the war continued their services and I do not think there has been any charge except for telegrams and things of that kind. That is Yarmouth—A. Well in Yarmouth they only charge for their out put expenses, and no salaries paid.

Mr. EDWARDS: I think it is generally done through the County Councils in Ontario.

The WITNESS: Well, it used to be partly, but not altogether. In practically none of the small places is any charge made for expenses.

By Hon. Mr. Spinney:

Q. These officers have the power to fix the amount of compensation to be distributed?—A. Yes, more or less.

Q: They cannot exceed a certain amount, but they can decrease the allowance if a smaller amount is considered sufficient?—A. In our own place each case is examined and the allowance made.

By the Acting Chairman:

Q. The local authorities give you a statement of the case and make a recommendation as to what should be allowed?—A. Yes.

By Mr. Morphy:

Q. You spoke of having in hand something over \$6,000,000?—A. Yes.

Q. What was it last year?—A. Well during the past year we have spent about \$900,000. That would bring it up to about \$7,000,000.

Q. It looks as though your fund would be available for sometime to come. What interest do you get?—A. Most of it is in Victory Bonds.

Q. How do you find the applications in quantity and amount as compared with a year ago?—A. They are not nearly so numerous as they were a year ago when we were really at the beginning of our post discharge work. Take the case of deserted wives, we have practically got all the deserted wives on our books that come within our regulations; so that we are getting very few applications. The class that is really increasing rather steadily is the case where the man has died after discharge from causes that are non-pensionable. There is no Federal pension coming to this widow, but there is an allowance coming from the Patriotic Fund. That class, of course, naturally increases right along.

By Hon. Mr. Spinney:

Q. These cases are very largely cases where they are not covered by the other regulations?—A. That is precisely the idea of the post discharge, to take up the cases of post discharge that are not covered by any legislation.

By Mr. MacNeil:

Q. What is your annual liability?—A. Our annual liability for continuous cases is about \$650,000.

Q. Your fund will be exhausted about when?—A. I am just thinking out our liability for the next twenty years in regard to these continuous cases. A suggestion has been made that after the end of next winter we should stop our emergency work, and confine ourselves to those families that have to be maintained for a long period of years.

[Mr. Phillip H. Morris]

APPENDIX No. 2

By Mr. MacNeil:

Q. If that is done, how long will the Fund last?—A. Twenty years at least.

By Mr. MacNutt:

Q. Does that include your income?—A. Yes.

By Mr. MacNeil:

Q. You do not render the relief where the bread-winner is out of employment?—A. No, unless in complicated circumstances.

Q. Did you experience much of a demand last winter in that respect?—A. Yes, we did. A good many of our branch offices were, in the early days of the winter, thronged with applicants out of work and applying for relief on that account, but we could not begin to handle that problem, and we did not try.

The ACTING CHAIRMAN: Here is a case which has come before the Special Subcommittee and which is a difficult one to deal with. It is the case of Roy H. Kelly, deceased, widow and one son, received no pension after discharge in November, 1918. Private Kelly re-enlisted in the Royal Air Force and was eventually discharged in September, 1919. He had served, you understand, in the C.E.F., and was discharged as fit. Then he enlisted in the Royal Air Force, and was discharged in September, 1919. He died in the following spring by shooting himself. This man was a bank clerk prior to enlistment, and there are documents from the bank manager and others that the man was in a normal state, which I think is absurd. Now, his widow is not eligible under our Pension Act because he was not one of our men. He was a Royal Air Force man. They won't acknowledge his claim at all. It has been represented by our Pension Board to the British authorities that they might give consideration to the case, but they will not acknowledge the claim at all. Now, would his widow be eligible under your Fund?

WITNESS: Did the man see service overseas?

MR. WILSON: Yes, he was wounded in France.

WITNESS: Then he would be eligible.

MR. COOPER: I understood that the Imperial Pensions Board have not refused a pension, but that it is still before them.

The ACTING CHAIRMAN: We have had no word that they will do anything. What about this Kelly case, Col. Thompson? Have they refused to do anything?

Colonel THOMPSON: They have not ruled yet.

By the Acting Chairman:

Q. Mr. Morris says that this widow would come under their Fund.—A. Under the Patriotic Fund, yes.

By Mr. Wilson:

Q. What allowance would you make in that case?—A. The same as the Canadian pension.

Q. For the widow?—A. Yes.

MR. MORPHY: I would suggest that the witness file that pamphlet.

By Mr. Wilson:

Q. With regard to the Kelly case, would you take care of the widow pending a reply from the Imperial authorities?—A. Yes, sir, if you will send me a note about the widow, we will take care of her at once.

[Mr. Phillip H. Morris.]

By Mr. MacNeil:

Q. I understood you to say that the allowance closely approximates to the Canadian pension.—A. It follows the Canadian pensions all the way through.

Q. Would you care to make any observation as to whether that standard adequately meets the present cost of living conditions?—A. Not to-day, if I may be excused, I hope that either myself or some other official of the Fund will have the privilege of coming before the Committee again when we shall have certain suggestions to make, and perhaps one or two criticisms. However, I do not know much about that.

Q. Have you compiled statistics as to the conditions under which those people live?—A. Yes, we have statistics.

Q. You also, I believe, conduct clinics for soldiers' widows and children?—A. In three towns our local offices have established clinics where they examine the children of ex-soldiers.

Q. Are the statistics compiled in connection with those clinics available?—A. The only really important clinic in the country at present is at Montreal, and I could get you statistics in regard to that. There is also a clinic which is rapidly growing in Hamilton, but it is quite new, and we have no statistics about it.

By Mr. Edwards:

Q. They are baby clinics?—A. Yes.

Q. What is the other place?—A. Sherbrooke. We have not gone very far with that work yet. As a matter of fact, it was taken up specially in Montreal. Miss Helen Reid took it up there, and the other two places have followed that example. I have requests from one or two other places to do the same thing. We are going to discuss the whole matter at our next meeting of the executive in order to decide whether we can afford to have a more wide-spread system of clinics.

Q. Are they expensive?—A. No.

By Mr. Morphy:

Q. What is the scope of activities of those clinics?—A. You have me on rather strange ground. If you want information, Miss Helen Reid of Montreal would give it to you. So far as I know, they get a woman to bring the children down to the Patriotic Fund office on a certain evening in the week. They have a doctor and a nurse in attendance and they examine the children, give them a thorough "over-hauling." They measure them and weigh them and "over-haul" them in every way to see if they have any defects. In one case they found 33 defects. They explain to the woman what is to be done to remedy these defects, and if necessary they provide the money. They have a follow-up system to see that their suggestions are carried out.

By Mr. Green:

Q. Is there any difficulty in getting them to go to the clinics, or do they go freely?—A. They go quite freely. I have attended the baby clinics in Montreal on two or three occasions, and they have been busy every afternoon for three or four hours.

The ACTING CHAIRMAN: I would like to make a suggestion to the Committee and also to Mr. Morris. I may as well be perfectly frank. I think he could spend the money. Then they have a follow-up system to see that their suggestions are carried out. I think the local authorities should attend to baby clinics. In our town they have a baby clinic every Friday afternoon. One of the doctors of the town gives his services—or two if necessary. They give their services free every Friday afternoon to examine those children. Then they have one or two nurses who give their time and services free. The women of the town take a great interest in the clinic, and they also have a follow-up system. They examine the children, as Mr. Morris has explained, and advise the mothers as to what food they should give to the children and that sort

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of thing. But it does not cost the country one cent. Now the Patriotic Fund, with which Mr. Morris is connected, is one of the most valuable funds we have in this country, and it is supposed to take charge of cases that are not covered by statute under the D.S.C.R. or the Pension Board. There are many deserving cases which Mr. Morris has looked after, and looked after remarkably well; at all events, the Fund has. I am only suggesting that they could use the money to very much greater advantage than by establishing baby clinics. They should encourage the towns to establish those baby clinics and pay their own way.

Mr. MORPHY: How long have you had this clinic in your town, Mr. Chairman?

The ACTING CHAIRMAN: About six months.

Mr. MORPHY: How long is it since the Patriotic Association established their clinics?

The ACTING CHAIRMAN: I never heard of them establishing clinics.

Mr. MORPHY: I would think that the clinic in your town arose out of the good work of the Patriotic Fund.

The ACTING CHAIRMAN: I have objections to that thought.

Mr. MORPHY: That clears up any reflections there.

WITNESS: I was not taking the Chairman's remarks as a reflection at all.

Mr. MACNEIL: I suggest that these statistics be furnished the Committee, as they furnish an interesting sidelight on the matter. I refer to the statistics of the clinic, particularly that clinic in Montreal.

The ACTING CHAIRMAN: I did not know Mr. Morris was to be here this morning, but we expected to have Mr. Morris and Mr. Nichols.

WITNESS: And I suggest Miss Reid at the same time.

The ACTING CHAIRMAN: I do not know about Miss Reid.

Mr. EDWARDS: I think it would be well to have Miss Reid here. I am very much interested in what Mr. Morris has said about the figures.

WITNESS: I want to hear the Chairman repeat his remarks about the clinic to Miss Reid.

The ACTING CHAIRMAN: I will do it. What I mean is this: That there is too much of a disposition to make the Government do everything in this country.

Mr. COOPER: I agree with the Chairman. I disagree with the principle of establishing clinics in one or two parts of the country, when the fund was a country-wide fund and should be applicable to the whole country. I agree that it is a provincial and municipal matter rather than a matter for the Patriotic Fund, without of course disparaging the work done by the Patriotic Fund.

Mr. EDWARDS: You are absolutely right, but from the standpoint of public interest, and the standpoint of the interest in the public, you might get information from Miss Reid which could be widely spread over the country to great advantage.

The ACTING CHAIRMAN: I think she is one of the most capable women in Canada, but at the same time I do not see why the Patriotic Fund should be given to one place and not to another place.

By Mr. MacNeil:

Q. May I ask as to the procedure which is followed with regard to application for relief?—A. Well, they simply apply—

Q. To the local committee?—A. Yes, and if it is within the power of the local committee to act without referring it to headquarters they do so. They have certain discretionary powers, as it were, but if it is what we call a continuous case where there has to be a monthly allowance for a very long period, the case has to be submitted to

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my office and authorized from there. In the meantime there is no hold-up. They go ahead and give whatever immediate relief is necessary, pending a final discharge from headquarters.

Q. Taking a suppositious case, where applications have been made for relief and refused by the local committee, is there a possibility that members of that committee have prejudices against the applicants in some way—say it is a small community where local conditions sometimes produce that result? What right of appeal has that applicant?—A. The applicant can submit the case to us. We would look into it very carefully, and would give the local committee our opinion and recommendation, but if the local committee did not see fit to accept that recommendation it is very doubtful whether we should press it upon them. We have not had, to the best of my knowledge, such a contingency arise.

By the Acting Chairman:

Q. This is purely a voluntary fund?—A. Originally it was.

By Mr. Douglas:

Q. Have you found in your experience that your local committees are acting with as much zeal to-day as they did when the war was on, taking into consideration the fact that they were working really for nothing and employing a good deal of time and a certain amount of investigation afterward? There must be a great many investigations? Do you find these local committees are still imbued with the patriotic fervour to the same extent as they were at the time of war?—A. What we find is this: That our local committees have grown smaller in number or in personnel, that whereas in some small town in rural Ontario we had a committee of seven or eight members, who during the war shared the work among them because there was then so much to do, it is now being handled by one or two zealous people, and the committee as a whole only meet very occasionally.

Q. I have in mind a patriotic committee in Edmonton, presided over by Mr. McDougall, who gave his time very, very freely, and a great deal of his time during the war, to that work. Is he still continuing to give them as much time and energy as he did before?—A. I believe that Mr. McDougall has been active from the 1st September, 1914, until the present time. Of course we do not have to make the same demands upon Mr. McDougall now that we did during the war.

Q. Have you a paid official?—A. We have a paid official in Edmonton who handles the whole of Northern Alberta.

Q. Then, of course, his time would not be fully occupied? Who would that official be?—A. Leon Quatre. I think he is a French Reservist.

Witness retired.

The ACTING CHAIRMAN: Are you ready to go on, Mr. MacNeil?

Mr. MacNEIL: No, sir, I did not expect to go on the stand to-day.

The ACTING CHAIRMAN: The tuberculosis experts will come on next Tuesday.

The Committee adjourned until Tuesday next.

APPENDIX No. 2

COMMITTEE ROOM, 435,
HOUSE OF COMMONS, Wednesday, April 13, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 4 p.m., Mr. Hume Cronyn, Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Chisholm, Cooper, Douglas, Edwards, Green, McGregor, MacNutt, Morphy, Nesbitt, Savard, Spinney, Turgeon, White (Victoria), Wilson (Saskatoon), 18.

The CLERK: In regard to communications, I have referred to the sub-Committee on Correspondence some 37 cases relating to the questions of Re-establishment, Pensions and Insurance.

The CHAIRMAN: These go to the sub-Committee on Correspondence.

The CLERK: Upon this subject, I have also received this week, that is on Monday and Tuesday, fourteen additional cases. I have transmitted to the sub-Committee for their second report, summaries of 29 specific cases. In addition to these I have eight or nine more cases, which were received this week.

Mr. GREEN: I move that they all be referred to the sub-Committees that are handling them.

The CHAIRMAN: These communications will go to the various sub-Committees, as moved by Mr. Green.

Motion agreed to.

The CHAIRMAN: We will let the reports and motions stand for the time being. The meeting today was called largely to hear from Doctors Parfitt and Hart, who are two members of the Board of Specialists on tuberculosis appointed by the Department of Soldiers' Civil Re-establishment to examine into the question of the care and employment of tuberculous ex-service men after discharge from the sanatoria. I would ask Dr. Parfitt and Dr. Hart to come forward.

DR. C. D. PARFITT and DR. W. M. HART called, sworn and examined.

By the Chairman:

Q. Dr. Parfitt, you were Chairman of the Board of Specialists; would you mind beginning the evidence?

Dr. PARFITT: Mr. Chairman and gentlemen of the Committee, at the request of the Deputy Minister of the Department of Soldiers' Civil Re-establishment, I appear as Chairman of the board of Tuberculosis Sanatorium Consultants to present the sixth report of this Board which is on the care and employment of the tuberculous ex-service man after he has left the sanatorium. The board of which I have the privilege to be chairman was composed of Lt.-Col. W. M. Hart, who had the special qualification of having served throughout the war, first as a private and later as a medical officer, and who was finally in charge of the special Canadian hospital for tuberculosis at Lenham; Dr. J. R. Byers, long experienced in tuberculosis at St.

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Agathe and in charge of the Laurentian Sanatorium; Dr. A. F. Miller of the Nova Scotia Sanatorium; who has been identified with the work in Nova Scotia since its inception, and Dr. D. A. Stewart, who has been equally identified with tuberculosis work in Canada, and who is in charge of the Manitoba Sanatorium from its beginning. We five, were called together by the Director of Medical Services last April, and were sent out with instructions to make a survey in the broadest possible manner of the tuberculosis situation as it existed in the sanatoria, with the patients, and in regard to the conditions of each patient after his discharge. It was specially impressed upon us, quite apart from the letter of instructions from the Director of Medical Services, by the Director himself, whom we met before starting on our mission, that we were being sent out not only in the interests of the department but in the interests of the sanatoria, and especially in the interests of the patients.

At all the places visited we endeavoured to obtain all possible information, and in order to get in touch with the patients, we not only saw them individually in many instances, but wherever possible, in meeting. With few exceptions, at those meetings, the officers of the institution were excluded, and we invited the patients to express themselves freely on all matters that concerned them without prejudice to themselves, whether the matters related to institutional conditions, departmental conditions, or their future. We particularly encouraged them to give us information about their future life and what help they would get outside. We took advantage of this opportunity for cautioning them upon what would be an unwise mode of life, and what would be a wise one. While we tried to obtain from them their own point of view, it was frequently necessary, in order to suggest trains of thought, to give them some leads, leads as to possible employment, or leads as to the future. We were very glad to find that the patients as a whole gave us their confidence freely and appreciated the fact very deeply that the Government had been thus interested in sending out a board of men who had had fairly long experience in the treatment of tuberculosis in Canada. The patients expressed themselves very freely to us. But not only from the patients did we receive information; we also got information from the sanatorium officials wherever possible, and from the unit officials, as well as outside advice of an expert nature, wherever possible. The board, or the greater number of its members at least, were together for four months, and we had ample opportunity for discussing the pros and cons of the information received. Our conclusions became fairly crystallized as to the situation as we proceeded in the preparation of the report. In the preparation of the report we endeavoured to follow the scientific method of fairly analysing our facts without bias, co-relating them, trying to get a fair perspective, and endeavouring to draw logical conclusions from them. We also made a broad survey of existing literature in order that we might gain the experience of others who had dealt with similar problems. In the report, the several matters that came before us have been fairly and extensively discussed, and we have tried to make practical suggestions and recommendations that would aid, in part at least, the solution of some of the problems that await the sanatorium discharge. But we realize only too well that many of the suggestions made can scarcely be realized in practise. While we have tried to make our report as complete as possible, possibly some of our suggestions and recommendations will be found to be counsels of perfection not possible of realization. This is the sixth report that we have prepared. These suggestions are contained in a report probably in the hands of most of you, and are also included in the annual report of the Department of Soldiers' Civil Re-establishment, which is a summary of our work very briefly. The series of reports thus far dealt with are—

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- (1) The application of Order in Council, P.C. 2328 to the tuberculous ex-service man.
- (2) Medical statistics regarding (a) patients in residence, (b) patients discharged.
- (3) The present and future distribution of D.S.C.R. patients in Sanatoria.
- (4) A critical review of the several sanatoria inspected with classified notes on details.
- (5) A classified record of complaints and suggestions from patients, staffs and employees, with comments.
- (6) The after-care, post-sanatorium employment, and possible re-establishment of the tuberculous ex-service man.
- (7) A general review of the tuberculosis problem as regards the ex-service man, with conclusions and recommendations.

This Report, while dated December 1, 1920, is the last thus far put into the hands of the Director of Medical Services who has had it but a few days longer than yourselves, and the reason for that is that one member of the Board, Lieut. Col. Hart, had to go to England, and the opportunity was taken of visiting the institutions there dealing with these problems, and it was thought desirable to include in a revision of the report the facts that he discovered there. I may say that in this revision the other members of the board were fully consulted, and unanimous approval has been given of the changes. This special report has largely been prepared by Lieut. Colonel Hart. He has devoted himself since the conclusion of our tour to the literature, and to summarizing the very miscellaneous information collected from the patients, and while we all support everything that he includes in his report, I should like you to note that it is largely Col. Hart's work. It has apparently been recognized by the department that this problem of after care is one of the most important to be laid before the department, and it would seem to be recognized that Col. Hart could admirably take up this work of supervision of the after care of the tuberculous sanatorium discharges. He is now on the strength of the D.S.C.R. and has been taken on since this report was filed. The Board was entirely an extra departmental board, and I think the subject matter of the report will bear out my statement. That I think, Mr. Chairman, is all I have to say.

The CHAIRMAN: Unless there are some questions to be asked of Dr. Parfitt, the suggestion is now that Col. Hart should take the stand and discuss with us this report and explain it briefly and emphasize the points which might be of interest to this Committee, and which he thinks deserving of particular attention.

Dr. WILLIAM M. HART, examined.

The CHAIRMAN: Dr. Hart has duplicates of some of his remarks, calling attention to the various sections of the report which he proposes to discuss. Most of the members have copies of the report and would probably like to follow the doctor as he goes through it.

WITNESS: The name of the report that I purpose to discuss with you this afternoon is "The Care and Employment of the Tuberculous Ex-Service Man after Discharge from the Sanatorium." Dr. Parfitt has already pointed out to you the relationship of this report to the other reports resulting from our survey of the tuberculosis situation in Canada as affecting the ex-service man. Copies of this report have been in the hands of members of the Committee for some ten days, I think, and they speak for themselves. In fact some of you might feel that they speak at rather too great length but the board feels, and felt, in compiling this report, that a subject that was so new, so controversial, and of such great importance, not only to the tuberculous

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ex-service man, but to the country as a whole, could not be dealt with justly in a more brief way. In fact a remark has been made to me, since the report has been copied and mimeographed, to the effect that there is not an unnecessary sentence in it, and that remark is not any very great exaggeration. In fact there were many points which we felt might be expanded with advantage. Accordingly it is my intention to draw your attention to various sections throughout the report in the order in which they occur which we think may require emphasis, amplification or explanation. If any of you have made any notes in your own copies with regard to any point which you wish to ask me about, should I go by them without taking them up, I would be very glad if you would draw my attention to them in the sequence in which they occur in the report, as that is their logical sequence, and they can be dealt with and disposed of as I go along. First turn your attention to the title page. I want you to note that this report is addressed to the Director of Medical Services of the D.S.C.R. I direct your attention to that fact because it is a confidential report, and directed to the Director of Medical Services of the D.S.C.R., and that fact explains much of the form of the report and of the somewhat technical expressions that are used there.

I draw your attention also to the Table of Contents, or Index, where you will find that the main divisions of the report are indicated and the sections which deal with these divisions and sub-divisions are shown. You will note on the second page of this index, or Table of Contents that the last three sections of the report summarize all that precedes them. There is a summary of conclusions and a summary of recommendations. Those of you who have been able to read the report and have read the summary of recommendations might note that although the summary of conclusions refers to all points dealt with in the body of the report the summary of recommendations ignores everything which deals with financial compensation from the Government. The reason for that is that anything to do with pensions, although we felt it essential to discuss it in the report, does not require recommendations from us to the Director of Medical Service who has nothing to do with the awarding of a pension.

Proceeding now to the body of the report, I would like to refer you to the first brief section as it contained our instructions.

This is directed to the Director of Medical Services, D.S.C.R. of Canada, and reads:—

“The Board of Tuberculosis Sanatorium Consultants appointed by you was instructed in your letter of 16-4-20, amongst other matters to study in general the whole question of the treatment of tuberculosis occurring among ex-members of the Canadian and Imperial Forces in Canada, and to give special consideration to the general question of the after employment of S.C.R. patients discharged from sanatoria.”

Page No. 3, section 8, is a point to which I want to draw your attention, as in that section is a discussion of the underlying principles based on the experience gained in dealing with civilian patients and says:—

“Though there are a number of conditions which modify the problem of dealing with the ex-service man, suffering with tuberculosis acquired on service, as compared with that of handling the civilian consumptive, it must be recognized that fundamentally and from a purely medical standpoint, both classes of patients share many similar problems, as well as the same disease. Consequently any discussion of underlying principles, based on experience gained in dealing with civilian patients can be applied to the consideration of the ex-service man's difficulties, provided the modifying circumstances be kept in view.”

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That has been why in many cases throughout the report, we have discussed the general question of tuberculosis and the after-care of the tuberculous, without special reference to their being ex-service men or civilians, because the underlying problems are essentially the same.

On page 9, sections 14, and 15: These are brief sections and I will read them because we wish them emphasized. I may say that they refer to Sir Sims Woodhead and Dr. Varrier-Jones, two of the leading authorities in Great Britain on the question of sheltered employment for the tuberculous. These sections read:

"Woodhead and Varrier-Jones discussing the situation in England, say emphatically the great and urgent need is for a rational and national system of after-care. This has been recognized in the case of the civilian who returns from a sanatorium; there is an equally urgent need in the case of the returned soldier."

Section 15 expresses our own idea. It says:

"It is not too much to say that amongst tuberculosis workers there is not a dissenting voice as to this need, it is indeed the dominant note at all conferences, though the same unanimity cannot be said to exist as to the means to be employed to meet it."

Page 10, section 16—I want to quote the words of the Chairman of the Parliamentary Committee of last year in presenting the Third and Final Report to the House, which shows the opinion of the Parliamentary Committee of last year on the question then. This says:—

"But it is now apparent these efforts must be further supplemented by a wide spread system which will follow the patient after his discharge from a sanatorium, and make provision against the recurrence or reactivity of his disease."

Section 17, on the same page, is one to which I wish to draw your attention because we feel that possibly it needs a little explanation. We use some terms there which perhaps need to be qualified or explained.

The CHAIRMAN: Dr. Hart would like to know whether you prefer to have the sections read and then hear his remarks on each, or whether, having the report before you, he can save that time. Some of you may not have the report? You have not a great deal to read have you, Doctor?

WITNESS: A great deal of it will not have to be read.

By the Chairman:

Q. Such as you have to read, to explain your points, I think perhaps you had better read. That will probably be the shortest way.—A. The last sentence of section 17 reads:—

"As we have urged elsewhere this monetary provision should be sustained throughout the whole period of readjustment following the patient's discharge from the sanatorium, and it should be adequate to defray all necessary expenditures."

The monetary provision is qualified further up in that paragraph as financial compensation or assistance, and it does not necessarily refer to pensions alone.

The period of readjustment referred to there is defined more explicitly in section 114, on page 66. I do not think it is necessary at this stage to go into that, because it is rather a lengthy definition, but if any of you have a question as to the definition of that, it is found on page 66, section 114.

[Dr. W. M. Hart.]

The question has been raised too as to what is meant exactly by "necessary expenditure" and "the defraying of all necessary expenditure." In the case of the readjustment period which terminates in the rehabilitation, partial or complete, which is referred to in the definition of which I spoke a moment ago, what is required is a sum sufficient to supplement the earnings at various stages, and so help to prevent relapse, and if relapse occurs, the amount must at least equal the total disability pension. If no opportunity exists for a patient to supplement his pension, obviously the patient suffers. That is a little explanation of the last sentence of that section which one of the members of the Committee drew my attention to yesterday as being rather obscure.

Section 18—

By the Chairman:

Q. On the same page?—A. Yes. I do not know whether it is necessary to say anything about that section. I thought possibly it might be amplified, but I question whether it is really necessary. If any of you have any points to bring up that I have not included, please do so.

By Mr. Morphy:

Q. You refer to that section alone?—A. I am referring to any section I pass.

Q. It came to my mind that there was a great deal of doubt amongst the authorities as to what was the proper method of the after-care or treatment. You said so yourself. You said the authorities were not agreed. I would like to know why, and where they differ. That is going back to one of the early sections. I did not know whether questions were to be asked before you finished or not?—A. The reason for the difference is, I think, largely because the after-care of the tuberculous, is, comparatively speaking, a new subject. It is a subject which has not had the benefit of long experimentation as is the case with treatment. The need for after-care and the importance of the methods to be employed have only been impressed on the minds of tuberculosis workers by the fact that they found that sanatorium treatment alone was not sufficient, and was not bringing the results, so it is only within very recent years that experiments have been attempted at all in post-sanatorium employment and methods of after-care, and consequently, there is not a large accumulation of data in regard to the subject and hence these differences. Does that cover it?

Mr. MORPHY: Yes.

By Mr. Morphy:

Q. But in what way do they differ?—A. To answer that would involve a discussion of the whole of this report which we will come to as we go along.

The CHAIRMAN: I do think, Mr. Morphy, that perhaps questions had better be asked on the spot—at the time.

Mr. MORPHY: I did not wish to break in.

The CHAIRMAN: I think you are right in doing that. The report is fairly long, and it might not be possible to keep track of the points you wish to discuss.

Mr. MORPHY: Not unless we took notes.

The CHAIRMAN: What does the Committee say? Would you rather have Dr. Hart complete his statement, or would you like the points raised as we go along and have him examined upon those?

Mr. GREEN: I think it is wise to ask the witness any questions as we go along while the matter is fresh in our minds.

The CHAIRMAN: I take it that is the wish of the Committee. It appeals to me as the better method, and I would therefore like to ask Dr. Hart a question in regard to this last section, No. 18, to which he referred.

[Dr. W. M. Hart.]

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By the Chairman:

Q. You made a suggestion there, Doctor, because of the peculiar characteristics of the disability resulting from tuberculosis, and the special demands on the patient's income, that we might apply to their cases a very liberal application of the existing scale for helplessness allowance, or the existing scale of pensions and helplessness allowance, I take it to be. I think, perhaps, that that might be amplified, or we might consider whether there is any possible alternative. Objections occur to one's mind as to giving any one class of patients a helplessness allowance, unless they are, in the ordinary signification of the term, helpless. A tuberculous man might not be helpless in the same sense as a paralytic is. Now, if we were to recommend the payment of a helplessness allowance to tuberculous patients, could we help enlarging that to include the class of pensioners who are very badly disabled?

Dr. HART: I think that possibly the phraseology is a little open to misinterpretation here. We emphasize that we are only discussing those 100 per cent disabled, and I wish to point out that this recommendation of ours is not made from any idea that the tuberculous 100 per cent patient will never get the helplessness allowance, because I know specific instances where they do. But we feel that instead of a flat rate of a specific sum, supplementing the tuberculous pensioner's remuneration, as has been recommended before this Committee, the same for everybody, possibly the case might be better met by a liberal application of the existing scale. In discussing this, it has been suggested that this liberal application might be in the form of a percentage addition to the actual award that is made by the Board of Pension Commissioners. That is a suggestion. This whole suggestion, however, of amplifying the award to the tuberculous is involved in the question of sheltered employment with remuneration, and should, to a certain extent, I think, be considered in the light of an alternative. I do not mean to say that we feel it is really an alternative in all cases, but if proper provision for sheltered employment is made for all the tuberculous, there will be very few cases where the special addition to the income of the tuberculous by means of a flat rate supplementing pensions, or by other means, would be necessary.

Mr. ARTHURS: If provision were made by the Government under the colony plan, or any other plan, for the after care of the tuberculous with employment, is it your opinion that any great number would object to going there for treatment?

Dr. HART: We discuss that at a specific place later on. If you like to take that point up there, our opinion is pretty well expressed. The attitude of the men towards sheltered employment is discussed in section 60, and if you will draw my attention to it when we come to that section, I shall be able to discuss it perhaps more adequately than now. The next section to which I wish to direct your attention is section 20, because it has been called into question more than once. I will read it: (Reads)

"The tuberculous pensioner, perhaps more than any other, requires generous consideration financially, partly because of the demands that must be made upon his income to render his dietary suitable to his special needs. His special requirements also in the way of fuel and clothing and possibly in structural alterations or adaptations of his dwelling, to enable him to live according to the recognized principles governing the treatment of his disease, are legitimate reasons for additional financial provision. Furthermore, the prognosis of a tuberculosis patient is undoubtedly most unfavourably affected by depression resulting from any anxiety over the straitened circumstances of himself or his family."

The paragraph concludes with a quotation from an article "A lean purse is the main cause of relapse." That is amongst civilian patients particularly. There are five points there that are emphasized, the requirements as to suitable dietary, fuel and clothing, and structural alterations or adaptations of his dwelling. It is quite true

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that for the discharged sanatorium patient who has achieved an arrest of his disease, an ordinary good wholesome diet is probably all that he needs, but there are one or two points which I would like to emphasize there. In the average home of the ex-service man, it would be necessary to maintain the same dietary for all members of that family. It cannot be expected that in most of those homes there would be any special provision for the patient in the way of milk, eggs, and so on. With regard to fuel, additions to the consumption of fuel are necessary, because he must maintain open windows, at least at night in his bedroom, and we all know that that does increase the consumption of coal which, as we all know too, is a very costly item in the yearly budget. Then clothing needs to be supplemented for the same reason, particularly if the patient is taking what is called "the cure," sitting out during any part of the day. Structural alterations are sometimes necessary in order to build a sleeping porch or otherwise to alter sleeping arrangements so as to enable him to approximate to sanatorium conditions. Also, it has to be remembered that the tuberculous patient should get a room by himself, which means that he will probably require an extra room in his house more than a patient with any other disability.

The CHAIRMAN: Before you pass from that, I would like to emphasize that, as I understand the situation, these are differences between the tuberculous patient and the man suffering, say, from heart trouble, rheumatic trouble, or some other form of disability or disease, and are peculiar to the disease itself.

Dr. HART. Quite so. There is just one sentence in section 21 which I want to emphasize. It is a quotation from the British Inter Departmental Committee's report of 1919. I may as well read the whole sentence in which the quotation appears (Reads):

"The determination of the degree of disability of the tuberculous man is one of peculiar difficulty. A wide latitude in the direction of the most generous interpretation of the Act"—that is the Pension Act—"both as regards the amount and duration of the pension awarded is justified as his "working capacity" appears greater than it really is."

That is a very vital point, because many a tuberculous patient who is not fit to do any work at all is an exceedingly healthy looking individual. In fact, it is frequently a matter of comment among laymen not familiar with sanatorium conditions, when they visit a sanatorium, that they have seldom seen such healthy looking individuals. Frequently the ex-patient does not receive the sympathetic consideration he deserves. On page 13 a term is used inadvertently. It is a technical term,—“a moderately advanced case of pulmonary tuberculosis has a permanent disability in the general labour market of about 50 per cent.” That is really a technical definition of certain cases as used by the American National Association. The point I want to make is that it is not a loose term, as was thought by one member of your Committee. It is a technical term and defines a certain class of tuberculous case.

Mr. NESBITT: You might give a rough explanation.

By the Chairman:

Q. These terms of the American National Association are generally adopted and used in this country.—A. They are official. I think it is only fair to say that they are official all over this continent. A "moderately advanced" case is defined as "marked infiltration more extensive than under incipient, with little or no evidence of cavity formation, nor serious tuberculous complications." There are three classes, incipient, moderately-advanced, and far advanced.

By Mr. Nesbitt:

Q. Roughly they are what?—A. The term "infiltration" used there is the first condition of the tuberculous process; it means about half a lung involved without any
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cavity having occurred, and no complications in other parts of the body, arising from tuberculosis.

By the Chairman:

Q. I think what Mr. Nesbitt wants to know is, in the language of the layman, how would you describe the "moderately advanced" case?—A. It is a technical term—a moderately advanced case. That is about the only way it can be described. Then page 16, I refer to section 25. I wish to emphasize the first paragraph of the section. I will read it. It is a quotation from a previous writing of one member of the Board, and it reads—

"Supervision by a physician skilled in chest work, and with an appreciation of the detail important in the management of the consumptive, is quite as necessary for some months following discharge as supervision in the sanatorium."

We wish to emphasize that very strongly.

"Such expert advice should be sought at regular intervals apart from the time that danger may threaten, and should be followed."

This is the opening sentence of our consideration of medical supervision.

By Mr. Arthurs:

Q. How would that be possible where the patient was out in the country or away from where expert advice could be obtained?—A. It will be difficult for the isolated patient, but a considerable proportion of these patients are in the larger centres. It is quite true that the isolated patient, particularly such a one as I heard of the other day, whose home is some hundreds of miles from civilization, cannot expect expert advice, with the very limited number of tuberculosis experts available.

Q. It was brought to the attention of the committee that the number of experts on chest diseases is very limited in Canada.—A. I am going to draw attention to that later.

Q. It might follow that although a man might not be far from civilization, he still might be far from an expert?—A. The report deals with that by recommending the development, in so far as possible, of clinics at certain strategic points, so that the expert advice which is available can be mobilized where it would be most effective.

Q. That is the point I wanted to get at.—A. Section 29, the last paragraph reads—

"The majority of tuberculous ex-service men will require skilled medical advice and supervision for as long as they live."

That has been thought a pretty strong statement, but we are prepared to stand behind it very definitely—no question about that. Not only the majority of tuberculous ex-service men, but other tuberculous patients, civilians who have had tuberculosis will require medical supervision as long as they live.

"As the proportion actually under treatment in sanatoria continues to diminish, the number of those discharged, already considerable, grows greater, but despite this increase in those for whom medical supervision is necessary the extra sanatorium facilities for its provision remain unfortunately meagre and inadequate."

That is along the line of your question. The first sentence of the next section, No. 30, on the same page, we feel requires very emphatic stress—

"Among ex-service men the best interests of the tuberculous at least demand that as regards medical supervision there should be no real differentiation between pensioners and out-patients."

The fact that a man has ceased to be an out-patient and has been awarded a pension does not affect the necessity for his supervision by a skilled physician, a physician

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skilled in the disease. He may have reached a stage where he may not have to be supervised, or advised as frequently as before, but he still needs this supervision, and he needs it at more frequent intervals than is possible with his coming up for advice merely when his pension requires revision. On page 20, I want you to read section 33, and part of the first paragraph of section 34. These sections are not long. These deal with the points I made a moment ago about clinics, and carries on with what we have been previously discussing—

“As well as in Vancouver and Montreal, whatever tuberculosis clinic facilities already exist, in Halifax, St. John, Ottawa, Kingston, London, and Winnipeg, should be assisted to develop and become closely linked up with the sanatoria discharging or which have discharged ex-service patients to the areas or districts surrounding these centres.”

You may note that we omit Hamilton and Toronto, because there is adequate provision there now. There are already three efficient clinics there. The Toronto clinic is a very large one, and remarkable for its efficiency.

Section 34, is another suggestion; “A card index to be compiled of all the ex-sanatorium patients whether pensioners or not, in each D.S.C.R. Unit area. This should be made as complete as possible, and no effort spared as time goes on to make it more so.”

Then we go on to indicate the use of this card index.

“Patients thus listed should be regularly visited by the Department of Soldiers’ Civil Re-establishment Social Service Nurses and encouraged to go to the clinic for examination and advice at whatever intervals were considered necessary in each individual case. A patient moving from one unit area to another should be transferred to the care of the clinic nearest his new place of residence. In all the areas mentioned there will obviously be some patients who will be too far from a clinic to be able to visit it at all, or at least as frequently as might be desirable, but the development of a clinic system along the lines briefly outlined above should secure the supervision of a considerable proportion of tuberculous ex-service men in these districts. The clearer appreciation of the situation secured through a thorough listing of all ex-sanatorium patients would probably enable some practical methods to be devised of extending the benefits of the clinic to those at a distance.”

By Mr. Douglass:

Q. I think, under Section 35, you are dealing with the Saskatchewan and Alberta situation. Are there not a great many patients in that sanatorium at Calgary?—A. Yes, there are in that sanatorium, but the proportion of patients discharged in Alberta and Saskatchewan, as compared with the rest of Canada, is much smaller than in Ontario and Quebec. The proportion of discharged patients is dealt with in the latter part of the report to which attention will be drawn later.

By Mr. Morphy:

Q. Why is that?—A. For one thing, these sanatoria were established when the need first arose, and these eastern ones were first used—the one at Ste. Agathe, and the ones in Ontario, at Hamilton and other sanatoria in Ontario.

Q. The climatic conditions had nothing to do with them?—A. No, that had nothing to do with the situation.

I think I will transgress on your time, gentlemen, long enough to read most of Section 36, because the subject matter of that was raised a few moments ago by one of the members of the Committee.

“The difficulty of extending medical supervision beyond the period of sanatorium treatment proper, is no doubt aggravated by the very limited number
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of physicians with the necessary skill and experience who are available for the purpose. The sanatoria themselves find difficulty in maintaining adequate medical staffs. In this connection it is recalled, that one of the members of this board, when before the Parliamentary Committee last May, was closely questioned with regard to the desirability of the Government lending practical assistance in training up a body of experts to specialize on tuberculosis, for the benefit of both soldiers and civilians."

I think it was you brought that up.

Mr. MORPHY: I think so, yes.

The WITNESS: "For some time the Manitoba sanatorium, in co-operation with the Winnipeg General hospital and Manitoba Medical college, has been giving a course of training to internes and medical students which has already produced excellent results in increasing the number of physicians with a practical knowledge of sanatorium methods. The Saskatchewan sanatorium is also initiating a similar course while other sanatoria in Canada have from time to time given less completely co-ordinated instruction to medical students and internes. Government assistance to institute or develop courses of instruction in approved sanatoria, we are convinced, would greatly benefit the whole anti-tuberculosis campaign, and would also aid in the establishment of a system of intensive medical supervision of sanatorium discharges."

Shall I read the rest of that section?

The CHAIRMAN: No; I think, perhaps, it is not necessary.

The WITNESS: Then Section 38, on page 24,—the last paragraph on that page, deals with the visiting nurses' part in medical supervision. It says:

"The value and importance of efficient tuberculosis visiting nurses in follow-up work in connection with sanatoria or clinics can scarcely be over-emphasized. It requires a good personality and a special training for the best results. Whenever those with this special experience are not available, it would be necessary to carefully select graduate nurses possessing a suitable personality—if possible, former C. A. M. C. nursing sisters—and give them a thorough training in tuberculosis work. They should be thoroughly familiar with sanatorium life and care, as well as the application of the principles of sanatorium treatment to the home. To detail certain specially trained and qualified nurses to visit the tuberculous only would, of course, involve over-lapping in the areas to be visited but this apparent lack of economy would be compensated—partly, at least—by the increased value of the results."

Page 25, Section 40, is a brief summing-up of the discussion of medical supervision. It reads:—

"The development of clinic facilities and social service visiting nursing necessary adequately to 'follow-up' and supervise all ex-service men who have had sanatorium treatment, will undoubtedly involve increased personnel and expenditure but otherwise it is impossible to see how this unavoidable responsibility can be adequately discharged."

Now, page 27, section 43: I merely want to amplify this section. It refers to the use of hostels for ex-patients, and it did not occur to use when we were first compiling the report that this might be interpreted as advocating a home, in the city or elsewhere, where sick patients would congregate. This it was felt might not be a healthy spirit to advocate. These hostels which we advocated in the cities are only intended to be used by ex-sanatorium patients who are in a condition to do some work, and they would be operated in conjunction with sub-standard shops which are discussed later in the report. In other words, they would merely provide suitable

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accommodation for ex-sanatorium patients who are well enough to do some work in order that they could, in their leisure hours, continue under conditions similar to sanatorium conditions.

By the Chairman:

Q. For sick men?—A. Yes, for sick men.

Q. Is there something of that kind in operation in England?—A. It has been actually operated in Winnipeg with a very considerable success some years ago. The inter-departmental committee in Great Britain in 1919—whose report on this whole question is a standard one—said, in their report, that it was a matter of regret that the unmarried men did not make use of the Papworth colony, which is the best recognized thing of its type in the world. The reason given why the unmarried men did not take advantage of the facilities there was that there was no special accommodation for them, and it was stated that if suitable special accommodation, in the way of hostels, was provided they would take advantage of it. •

When in England recently, on personal and private business, I had the good fortune to visit Papworth at the request of the D.S.C.R. and I found that two hostels had since been built and they were being utilized and were very much appreciated by the unmarried men, who were taking advantage of them.

Q. The result being that the unmarried men then did take full value out of the whole scheme?—A. Quite so, yes.

By Mr. Arthurs:

Q. Are these hostels maintained by the Government, or private money?—A. Everything of that sort in England has so far been initiated by various extra-governmental agencies, and I met nobody who was doing that work in England, and none of the men being benefitted by it, who were in favour of other than extra-governmental agencies handling them. They are, of course, assisted and subsidized by grants from the Ministers of Pensions and of Health, but their management is in the hands of extra-governmental agencies.

By Mr. Douglas:

Q. Were they open to all or only to ex-soldiers?—A. This Papworth colony was started on a small scale before the war, and there are both ex-service men and civilians working together.

Q. All through your remarks, I would judge that the same idea pervaded your mind in making this report, that this was not especially meant for ex-soldiers, but really for the tuberculosis patients in Canada?—A. The idea was primarily in regard to ex-service men, but it is just as true to say that the treatment for ex-service men could be equally well adapted to civilians as to say that the treatment for civilian patients can be equally well applied to ex-service men. I think it is highly advisable that nothing should be advocated in the way of after-care or employment for ex-service men that cannot be extended to the civilian. I think it is desirable from every standpoint that this be done in after care as has already been done, along the line of active treatment.

The D.S.C.R. and its predecessors have greatly amplified the facilities of this country for the actual treatment of tuberculosis, and the civilian population is now benefitting, to a very great extent, thereby. That is discussed in our main report, and in the summary of our reports published in the annual report of the Department. At the bottom of page 27 there is a sentence which commences our discussion of employment. It is just the opening statement which I wish to emphasize, because we feel that it expresses the gist of the whole question. (Reads):

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"From a therapeutic, economic, and moral standpoint, the situation of every tuberculous ex-service man who has satisfactorily completed a course of sanatorium treatment and who is neither totally disabled nor in need of absolute rest demands that he engage in some suitable form of employment."

We feel that the tuberculosis patient whose condition is such that he does not need to continue the rest treatment should engage in some suitable form of employment. We feel justified in laying that down very emphatically as an initial statement. I wish to draw your attention to section 45 on page 28 to indicate something that we learned with regard to a false impression which has got abroad about the 100 per cent pensioner during the first six months after the patient leaves the sanatorium. I will read the passage:—

"Under present conditions practically every tuberculous ex-service man is in receipt of a 100 per cent disability pension, for a few months at least after discharge from a sanatorium, whatever his physical condition. An impression seems to have gone abroad," that is among the pensioners themselves—

"that during this period of full pension no work may be attempted. This is unfortunate and every effort should be made to dispel it. A man living on pension alone is perforce not only a non-productive but a wholly wasteful member of the community. Furthermore, if his actual physical disability is less than 100 per cent he thus loses, by unnecessary idleness, the very advantage which this period of full pension was intended to give. This primarily was to enable him to continue the redevelopment of his functional ability gradually and without undue strain, within the limits defined by his physician. Thus, when the time comes for the revision of his pension and the new award is based on his disability determined by the loss or lessening of his normal ability in the ordinary labour market, due to therapeutic prohibition with or without any actual inability, he will have been able to re-establish himself at least partially in his old occupation or have taken steps to supplement his pension by some other and suitable employment."

We found this wrong impression among so many of the patients that we felt we must draw attention to it.

Mr. MORPHY: Have you given any special notice to the various institutions with reference to men who have been under treatment and who are ready to be released?

Dr. HART: Yes, we have in most cases. It was an exaggeration of the very proper instructions which were given to them that they should rest a portion of their time, and the pension award of 100 per cent for six months, whether they were totally disabled or not was to enable them to do that. It is merely a false impression among the patients themselves, arising, I think, from no neglect on the part of the superintendents, but being merely a very exaggerated idea of a very proper instruction given to them.

Mr. MORPHY: Was the instruction given to them this,—that it would be very proper to do some work.

Dr. HART: Yes.

Mr. MORPHY: Has that been done.

Dr. HART: Yes, I think it has been done. I know that many superintendents did instruct their patients that way. But one has to remember that like many other kinds of instructions given to patients it is very frequently ignored. The patient prefers to use his own judgment.

Mr. MORPHY: It would be his fault if he ignored it, but I can easily see that a lack of definiteness in the instructions that they should work for their own welfare might cause some trouble.

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Dr. HART: I think that in most, if not all of the sanatoria—in fact, I think I would be safe in saying all the sanatoria where the D.S.C.R. now are—the medical superintendent, or some of his experienced assistants, do instruct the individual patient before he leaves as to his limitations and how he should conduct his life after he leaves. We wish to draw attention to that point because we feel that possibly some patients were wilfully taking a wrong advantage of the award of a 100 per cent disability pension, when possibly their actual disability was not greater than 50 per cent.

Mr. DOUGLAS (Strathcona): We have had brought to our attention statements regarding men who had done work after they were discharged that after two or three months they had suffered a relapse which had necessitated their re-admission to the sanatorium.

Dr. HART: Quite so, because the work selected was not suitable work. These points are discussed further on, when we draw attention to what constitutes suitable employment. It is because suitable employment is so very rare in the ordinary labour market that we feel that provision should be made for sheltered employment. On page 29 there is section 46 in which we state. (Reads):

“Specialized and expert opinion is just as necessary regarding after employment as with regard to treatment. After employment is really a post-graduate course following treatment. He who can direct wisely regarding rest and exercise, can treat tuberculosis. He who can not do this can only maltreat tuberculosis, and only he who can treat tuberculosis with utmost skill, has any right to even try to direct the after employment of the tuberculous.”

That is a quotation from an article by one of the members of the board which was written before this report was compiled, and it expresses the idea so well that a direct quotation is made.

On page 35 is section 53. That is the point which I have just made informally. (Reads)

“The fact remains however that for the vast majority of consumptives, philanthropic employers cannot be found who will furnish suitable occupation sheltered from adverse conditions and adjusted to the patients’ limitations, with remuneration in excess of service.”

That is in excess of the very limited service which the average consumptive is able to give. (Reads)

“For most ex-sanatorium patients the only hope of obtaining such sheltered employment lies in its provision by some agency which can afford to act as a sympathetic employer by establishing suitable occupations under desirable conditions and subsidizing sub-standard patient labour.”

Owing to a typographical error I have omitted two or three sections, so I will revert to section 48 on page 32 which leads up to what I have just read. This section 48 follows in an attempt to set forth as clearly and fully as possible the principles that are involved in suitable work for the consumptive.

“It is therefore all too manifest how very rarely indeed is the opportunity for suitable employment afforded the average type of ex-sanatorium patient, if, to the conditions existing in the ordinary labour and industrial markets, the complex of principles just indicated be applied as a standard.”

Those are the principles we consider are involved in suitable employment.

“As a rule he is hopelessly handicapped and not infrequently permanently so. The tuberculous veterans are probably more or less mutilated for life, whereas a soldier with partial destruction of limbs can be re-habilitated by intensive training in some fit occupation.

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Part time jobs are few and far between, and are generally reserved for old employees. Business men cannot be expected to take into their factories, shops or offices, new employees who are unable to do a full day's work, and who are liable to have to lie off from time to time. As the war recedes further into the past those who from a patriotic motive made exceptions in favour of ex-soldiers are becoming less numerous. The suggestion that two men, each working half a day, take over one fit man's job is found in practice to be unworkable."

That suggestion was made to us more than once during our tour.

"Even if employers could be found who would take on the average tuberculous patient with all his limitations of service, they would not likely long retain him. The concessions as to hours, etc., which would have to be made, would soon create a great measure of discontent amongst fellow employees. Especially as the disability of the ex-patient might be far from evident to them. Indeed it has been found that actually the great majority of employers would far rather be called upon for a direct financial contribution than be asked to find employment for the sub-standard tuberculous man."

Then the next section just sums up the preceding section—

"Even the 75 per cent efficient physically are practically 100 per cent disabled as far as opportunities for suitable employment under ordinary conditions are concerned. It is seldom that a full day's work is not demanded from an employee if he is to expect to retain a position permanently."

That sounds rather like an exaggerated statement, but I think practically it will be found to be true. We ran across throughout Canada and various parts of the country—and I particularly remember Toronto in this regard—the statement that if a man is only three-quarters fit the social service and other departmental workers, and those outside the department doing work for the tuberculous amongst civilians, were unable to get jobs for them.

By Mr. Douglas:

Q. Did you find in your tour any exception taken to the employment of tuberculous patients on the ground that other men did not care to work round them?—A. The next paragraph deals with that—

"Phthisiophobia on the part of employers and fellow workers is also undoubtedly an important factor in limiting opportunities for employment. It is true that certain investigations that have been made would suggest that this is negligible. In answer to a question put to his ex-patients with regard to evidence of phthisiophobia on the part of 'neighbours or fellow employees' Lyman (11) from 633 received 590 negative and only 43 affirmative replies, while many of the latter were based on instances of trifling character. The inquiry as worded did not, however, include employers. Moreover, this investigation was made in Connecticut where an intensive anti-tuberculosis campaign carried on for many years had enlightened the public. In health resorts like Saranac Lake, it has been found also that 'education through observation and experience has dispelled phthisiophobia' (29).

"Nevertheless a very appreciable degree of prejudice undoubtedly exists in the majority of communities (30) and many instances of its pernicious effect could be cited in Canada. This prejudice has a very definite bearing on the consumptives' chances of getting employment."

"While everything goes to show that the hygienic precautions taught the patient in the sanatorium when consistently practised are thoroughly effective in controlling the distribution of tubercle bacilli—"

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(we wish to emphasize that very much in order to do our part to dispel unwarranted phthisiophobia)—

“the exhibition of the very measures adopted for the protection of the public stigmatizes the conscientious patient. This stigma acts as such a barrier to his progress, that he is finally forced to abandon all precautions since the treatment accorded him in this regard is such a contrast to that experienced by the careless consumptive who takes no precautions which advertise his condition.”

Then paragraph 52, page 34—

“It was the realization of the great paucity of opportunity for suitable occupation in which the tuberculous ex-patient could earn a reasonable livelihood without unduly jeopardizing his unstable health that justified the conclusion of Varrier-Jones that ‘a consumptive with moderate disease is as utterly incapable of earning a living under present economic conditions as an epileptic’.”

That is a quotation from one of his writings.

“Apparent exceptions to this sweeping statement will of course at once occur to everyone. When these are carefully analysed, however, it will almost invariably be found that either the character of the work or the conditions under which it is performed have been materially modified by a considerate employer, frequently a relative. Occasionally also a high degree of skill may mitigate the handicap of the patient’s physical limitations.”

Then paragraph 53 reads—

“The fact remains, however, that for the vast majority of consumptives philanthropic employers cannot be found who will furnish suitable occupation sheltered from adverse conditions and adjusted to the patient’s limitations, with remuneration in excess of service.”

Then paragraph 54—

“For most ex-sanatorium patients the only hope of obtaining such sheltered employment lies in its provision by some agency which can afford to act as a sympathetic employer by establishing suitable occupation under desirable conditions and subsidizing substandard patient labour.”

By Mr. Morphy:

Q. What is your opinion about the segregation of tuberculous patients under one roof or shelter? Does it produce morbidity or otherwise?—A. I think it is fair to say it acts otherwise. Nearly every visitor to a sanatorium, for instance, where the patients are actually ill and under active treatment conditions, expresses surprise on the first visit at the cheerfulness which prevails. I think morbid conditions are much more the exception than the rule. In fact so much so that it has been laid down as an axiom that the disease, tuberculosis, is characterized by cheerfulness.

Q. Would that be interfered with if it was a mixed assemblage of tubercular patients and those who are not tubercular?—A. I do not think it would, unless those who are non-tuberculous had an undue fear of the disease, and only education will eliminate that. That is something that every tuberculosis worker, I think, endeavours to spread whenever he can, namely—the proper conception about the absolute efficiency of the precautions taken in a sanatorium.

Q. Your agency or department has endeavoured to educate the tuberculous man as to the necessary care which he should take to provide against the infection of others, as well as general cleanliness of habits. What do you find in regard to the medical profession at large which is not connected with the scientific treatment of tuberculous

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patients? Are they as careful as you are?—A. No, I think that it is quite fair to say that the necessity for precaution and the methods employed are not as familiar to other medical men as those who have had an opportunity of special training in tuberculosis work.

Q. You furnish to the medical profession at large the documents published in your own department, or a pamphlet? Is there any connection between you and the miscellaneous medical profession whereby they would get the benefit of what you have laid down as the cardinal principles in your administration?—A. I have so very recently come on the strength of the department—only within the last month—that I am afraid I cannot answer that.

Q. Perhaps you can answer this—it is strongly in my mind—do you not think it would be advisable to disseminate your information to the 'layman physician'—if I may use the term—in some concise, well-set-up and short, pointed paragraphs, dealing with the instructions which you have given to all the physicians in your department? It is a national matter, to my mind.—A. The National Association—the Canadian Anti-tuberculosis Association—is doing that very thing at the present time, and has been for a number of years past.

Q. Are they in affiliation with you—do they seek your assistance?—A. Yesterday, the secretary of the association and I had a conference in my office, and we intend to endeavour to co-operate in every possible way. In fact, another conference has already been planned, and the closest co-operation will be maintained, so that their assistance may be available to us and ours to them.

By Mr. Brien:

Q. Do not the Boards of Health look after that very thoroughly in each province?—A. Yes, I think they have, but I have been away a great deal during the past seven years.

By Mr. Nesbitt:

Q. They do issue pamphlets?—A. I think they do, and I know that special tuberculosis organizations in all of the provinces can get unlimited quantities of such pamphlets from the Central Association for distribution. I know when I was in the West, before the war, actively engaged in tuberculosis work, that there was in general circulation a pamphlet such as you refer to.

By Mr. Brien:

Q. I think you will find that medical authorities understand this work. They may not be experts in tuberculosis, but I think they understand the sanatorium work very well, and are looking after their patients very well.—A. Dr. Parfitt brings to my mind an instance of phthisiophobia, which illustrates the fact that any amount of education will not always achieve the best results. In New York City—

By Mr. Morphy:

Q. Where?—A. In New York City, there is a special substandard shop for the tuberculous. The patients with positive sputum working in that shop have been segregated at the request of the patients with the negative sputum, because they are afraid of infection, in spite of the fact every one of those patients has had sanatorium experience as patients, and have had it drilled into them that the methods preventing the spread of infection in the sanatoria are very effective.

Page 37, section 58, is a short section. It says:

"To sum up our conclusions based on the consideration of all available evidence, we feel that on therapeutic and moral as well as indirectly on economic grounds, there is a real justification for including sheltered employment in a well-balanced system of after-care for ex-service tuberculous patients."

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Section 59 then deals with the agency best fitted for handling such sheltered employment.

"It is obvious that if the opportunity for sheltered employment is to be afforded the ex-service man, it will have to be furnished him either by the Government or by some one of a number of philanthropic organizations interested in his welfare, such as the Red Cross, Young Men's Christian Association, or by the combined effort of two or more of these agencies.

Many arguments have been advanced in favour of other than a governmental agency being responsible for furnishing sheltered employment to ex-sanatorium patients. In discussing this point in connection with a proposed industrial and agricultural community for the tuberculous in the United States, Pattison says: 'The experiment—let us frankly term it an experiment—must be very flexible and it is certain that direct governmental control could not be elastic enough or responsive enough to the new conditions constantly arising.'

"A similar point of view was expressed last year at the annual meeting of the National Tuberculosis Association, to the effect that private organizations are unhampered by the limitations of statutory authority or by lack of it. They are unfettered by Civil Service rules, and they are unencumbered by official regulations as to spending money.

"It has been suggested that much of the responsibility for the care of tuberculous ex-service men might legitimately be placed on local anti-tuberculosis and other philanthropic associations on the ground that many of these patients would have broken down eventually had they never joined the service, since sound statistical evidence can be adduced to show that the tuberculosis incidence amongst them is only approximately twice that of civilian males of the same age. A precedent for red cross funds being used for this purpose can be instanced in England at the Kelling Sanatorium Colony.

"Although it is true that there are advantages in a flexible non-governmental organization, conducting a sociological experiment, nevertheless, the State has already very properly acknowledged its responsibility for the treatment and training of those rendered unfit on active service, and if special provision must also be made for their employment, this too would seem primarily to be in the same category. At any rate, the State cannot afford to wait for other agencies to take the initiative since by so doing there is danger of delay in the provision of measures urgently demanded by the real needs of a large group of disabled ex-service men.

"It would appear, therefore, that the State must initiate and to a considerable extent finance whatever measures are approved for the establishment of sheltered employment, as well as for other details of after-care.

"It is greatly to be hoped, however, that in the words of the Chairman of the Parliamentary Committee, last year, (and this year as well), the Federal authorities charged with the care of tuberculous soldiers will be able to enlist the active co-operation of all other agencies in Canada engaged in the same task. If arrangements could be made, conditional upon the sympathy and co-operation—both executive and financial—of the Red Cross and various provincial and other anti-tuberculosis associations affected, whereby the opportunities for sheltered employment could be extended to civilian patients, it is felt that in many ways the ex-service men as well as anti-tuberculosis movement would greatly benefit.

"It is, of course desirable that the agency which institutes and develops whatever form of sheltered employment may be decided upon in Canada should study carefully at first hand the methods employed and the results being

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obtained in other countries, particularly in Great Britain, but it is obvious that it would not be justifiable to postpone action until definite conclusions could be drawn regarding ultimate results being obtained elsewhere.

"Furthermore, conditions in Canada are so different from those in Britain (as for instance, the size of the country in comparison with the numbers of the tuberculous ex-soldiers to be served, scattered as they are from coast to coast; the climate too with its effect on living and working conditions; and the difference between the social and economic standards prevailing) that experiments must be conducted in this country without delay in order that the lesson learned may be later applied more broadly both in the interests of those to be served, and in the pockets of the public."

I might say that when I was in England recently, at the request of the D.S.C.R., I made an investigation with regard to what was being done in England along those lines, and I might say that England is further advanced in this department of tuberculosis work than perhaps any other English-speaking country in the world, and there was an apparent unanimity of opinion amongst experts, Varrier-Jones, and every one else with whom I discussed the point, that extra-governmental agencies were best designed to handle the proposition, and all the patients were in agreement on that point. There seems to be a unanimity there.

The organizations that were handling it were various there, the Y.M.C.A., and others, and it seemed to be the practice which had everybody's approval.

On page 46, section 74: This sums up the idea about substandard shops discussed in the previous paragraphs. It says:

"There are many features of the substandard shop which appear to offer reasonable prospects of success in the attempt to afford to tuberculous ex-service men opportunities for sheltered employment. If employment is to be included in a comprehensive scheme of after-care of Canadian ex-soldiers, as we believe it ought to be, such a shop should be established in any city where the result of the survey of ex-sanatorium patients appears to warrant it."

To revert to what I was saying a moment ago it seems to be a recognized principle that the governmental responsibility was best discharged by initiating or establishing sheltered employment, by offering definite per capita per diem subsidies for the ex-service patient who would be treated and afforded opportunity of employment, in any approved colony under the control of some approved organization.

By Mr. Arthurs:

Q. Do you approve of substandard shops as a mode of employment for discharged sanatorium patients?—A. They have been very successfully operated. There are two at present in New York.

Q. Do you mean the shops or the patients?—A. Both. There is a shop in New York which has been both a therapeutic and economic success. It is described at length in this report.

Q. What about the hours that the patient has to work?—A. That is very carefully controlled. The main essential—this gives me an opportunity of emphasizing it—in regard to the question of sheltered employment among the disabled, tuberculous and otherwise, the main essential is medical supervision and the amount of rest and work, and the type of work must be carefully prescribed by a medical man competent to do so. That is the chief essential in any form of sheltered employment.

Q. You think that the medical superintendent of the sanatorium should specify the number of hours that the man can, with advantage to his health, be employed?—A. Yes.

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Q. If your idea is right, should not that same idea control the amount of pension he receives?—A. The amount of pension, I understand, is based on his ability in the open labour market.

Q. That is the open labour market, as you make it. In almost so many terms you say this man is capable of doing two hours' work in the ordinary labour market?—A. Yes.

Q. Then his pension should be reduced by the amount of his earnings during the two hours?—A. I understand that the pension award is based on his ability in the ordinary labour market after the six months' period when he gets a 100 per cent pension.

Q. Your idea would be that the pension regulations are correctly interpreted at the present time?—A. I think that the pension regulations in the vast majority of cases—undoubtedly there are exceptions, no organization is perfect—but from what opportunities I have had of seeing the care with which pensions are awarded amongst the tuberculous—these are the only ones I have had an opportunity of seeing—in the vast majority of cases I think there is very great care taken and knowledge shown of the limitations of the tuberculous.

The CHAIRMAN: Next please.

WITNESS: On pages 46-50 you will find section S1. The last part of the section reads:—

“The conclusion, therefore, seems inevitable that the establishment of a strictly agricultural colony scheme of sheltered employment can only be justified where the numbers of ex-sanatorium patients are very numerous and will be sustained, and also if no better alternative plan, presenting similar advantages, can be suggested.”

That sums up roughly our conclusion with regard to a purely agricultural colony for the tuberculous. In other words, their usefulness is limited to so few patients that their establishment, we consider, is not justified.

By Mr. Arthurs:

Q. Would that apply to the scheme which has been brought before this Committee—I do not know whether it has been brought up this year, but it has been up on previous occasions—the scheme of market gardening for tuberculous patients where the employment would be very light?—A. Our opinion is that market gardening, if it is going to be of any use in supplementing the income of the patient, is not light, by any means. It is far too heavy for the tuberculous.

On page 51 section 84, it says:

“In Canada, as well as in England, the possibilities of success offered by the Industrial Colony for the tuberculous would appear greatly to exceed those of the purely agricultural type. In fact Canadian climatic conditions, except perhaps in British Columbia, render the success of an Agricultural Colony even more dubious here than in England.”

* *By the Chairman:*

Q. Now turn to pages 53-4?—A. Section 89 falls in with the market-gardening. (Reads)

“Individual patients at a number of sanatoria visited expressed to us a wish that some scheme offering opportunities similar to those of the combined Farm and Industrial Colony were in operation in Canada. From three sanatoria (Tranquille, Mountain and Laurentide Inn) we have received details of somewhat similar schemes originated by the patients. These plans the patients in each of the institutions referred to are anxious to see tried out, in which event a

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majority of those now in residence stand pledged to co-operate to the best of their ability in order that they may be made a success. These suggestions will be referred to again, but we feel that the interest thus expressed on the part of the patients supports our belief that some adaptation of the colony idea, which will be made the subject of a specific recommendation in another part of the report, is applicable to conditions in Canada, and would prove worthy, at least for the purpose of necessary experiment, of inclusion in a comprehensive scheme of after-care."

On page 55 is section 93. This follows our discussion on the permanent community or village settlement. (Reads)—

"The recognition of the fact that many tuberculous ex-service men require particularly suitable accommodation and specially sheltered working conditions, not only during treatment and training, but subsequently, suggests the desirability of the establishment of a permanent community or settlement as a logical development from the Training Colony. The very limited practical experience of this plan which can be cited, together with the heavy expenditure involved in the establishment of such a community, however, demand the greatest caution and the recognition of the essentially experimental nature of such an undertaking."

On page 62 we come to section 109. This is headed "Consideration of Relapses and their Causes." We have left the question of sheltered employment as such.

By Mr. Arthurs:

Q. Before you leave the question of sheltered employment, I would like, and I think the committee would like, to have your own personal idea as to how this sheltered employments should be paid for. Should it be paid for by the Government, or should it be directed by more or less philanthropic institutions supported by the Government?—A. The idea we have tried to convey in the report—of course, I realize that excerpts from a report like this are apt to be misleading—the idea we have tried to convey is that sheltered employment is best handled by extra-governmental agencies, by philanthropic agencies of various kinds, subsidized by a per capita per diem grant from the Government to approved organizations.

Q. That is your own personal opinion?—A. That is my personal opinion, and it is supported by the unanimous opinion of the leading exponents of sheltered employment in Europe and by the patients there and here. In regard to this consideration of relapses and their causes, I wish to draw attention to the following paragraph because of some evidence that one patient gave here the other day, and which might lead to misapprehension. (Reads)—

"As is to be expected, the percentage of those re-admitted after relapse amongst those now under treatment, as compared with that amongst those who had been discharged, shows an increase."

This increase was mentioned before the committee the other day.

"This increase is from 11.1 per cent to 12.8 per cent, which amounts to 1.7 per cent of admissions or to 15 per cent of the relapses. As long as the present policy is adhered to (namely, that an ex-service man must have developed some symptoms or signs of tuberculosis before twelve months following his discharge from the army if he is to be considered eligible for treatment as for a war disability,) the proportion of relapse cases among those being admitted for treatment will obviously continue to increase ultimately reaching 100 per cent."

So that it was not at all unexpected on our part. Mr. Pyper, the other day, brought to your attention the fact that the percentage of relapse cases now under treatment at

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Ste. Agathe was 35, while our report said only 11. As a matter of fact the percentage of patients under treatment in sanatoria among ex-service men who have been readmitted for treatment is 33, and this report written last year, based on data which ended April 30th last year, pointed out the very condition which is now coming into effect; so that it is not an unexpected or alarming situation, but merely arises out of the fact that the supply of new cases is limited by the regulations, consequently the proportion of the relapse cases of those under treatment must continue to increase until ultimately it will reach 100 per cent.

Q. There is also the idea that a certain number have died in the meantime, which will affect the percentage?—A. That is to be expected, because tuberculosis is a very relapsing disease and somewhere about 75 per cent, if not more of those who have tuberculosis, eventually die of it. In fact I think the proportion is higher.

Then page 64, section 112, deals with the causes of relapse, and there is a table on page 63, which gives the causes of relapse. On page 64 I find the following:

"The next four causes noted (Nos. III. to VI.) are considered to have been the chief factors in producing 193 of the total relapses or 18.5 per cent. These causes are all more or less related to the size of the patient's income from all sources. For the moment, leaving out of consideration Causes V. and VI. (unhygienic living and working conditions), it cannot be denied that the policy of giving 100 per cent disability pension to practically every patient for the first 6 months after discharge from the sanatorium has probably had a material effect in so far keeping relapses from these causes relatively low. A comparison of the percentage due to these two causes amongst the patients already discharged, with that amongst those now in residence, shows an increase from Cause III. (Insufficient pension) of nearly 100 per cent and from Cause IV. (Overwork) of nearly 150 per cent.

"The proportion of relapses from these two causes appears to be rapidly increasing at a time when the effect of a reduction of income from pension necessitating overwork at unsuitable employment is just beginning to be felt. It is reasonable therefore to suggest that prompt measures to insure that the pensions of the tuberculous are never (or at least for a considerable period) to be reduced below an approved minimum rate, coupled with the provision of a certain number of opportunities for sheltered employment, may prevent a continuance of the rapid increase in the proportion of relapses from these two causes as well as considerably diminish the actual numbers which would otherwise occur."

This refers to something which I have neglected to emphasize before, that we advocate for the serious consideration of those concerned, the desirability of an irreducible minimum pension for those who are definitely diagnosed as tuberculous.

On page 71, section 120, after discussing the desirability of providing sheltered employment, the report continues—

"It has already been pointed out that whatever is to be done in this regard must be done with as little delay as possible. Accordingly it would appear desirable that one industrial training colony be established in one or possibly in each of the two provinces where there have been treated the greatest number who would be likely to take advantage of the opportunity."

These are Ontario and Quebec, and at page 69 there is a table which gives the details of these patients discharged from the various provinces.

"These are Ontario and Quebec, and since at the Mountain Sanatorium, Hamilton, and at the two sanatoria at Ste. Agathe there is a definite demand on the part of a large proportion of the patients in residence for the establish-

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ment of colonies, these places would appear to be the logical locations for them. At the outset they should be limited in size to accomodate the actual number of patients prepared to enter, but so planned as to be capable of reasonable expansion to meet an increased demand, while the possibility of their easy conversion into permanent settlement should be kept in mind. The desirability of making such facilities available for civilian patients when and where possible is again emphasized."

We are recommending there the establishment of these colonies, but I do not wish any misapprehension with regard to the colonies. We do not recommend the Government to establish them. We recommend the principle that they be established, and I have described the conditions under which sheltered employment should be conducted in our opinion.

Q. They say the great majority, or a great many patients, being discharged from Ste. Agathe, and various other Eastern sanatoria have been located in various parts of British Columbia for climatic reasons?—A. By their own choice, do you mean?

Q. By their own choice. In that event would it not be well if you had some system to find that out?—A. We have already advocated that in the report. I think I made reference to it. One of the first steps is a survey of the situation which will show exactly where patients are distributed. We have already recommended that a survey should be made to find out just where they are, and a record established of where they are before any great steps are taken to establish a colony, but the point we make here is that at those two centres where the greatest number have been discharged, there is in residence a certain number of patients, who are very anxious that it should be established in their locality, and we have pointed out that if such a colony is established it should be near a sanatorium, so as to be able to get medical advice from the sanatorium, and have the institution available in case of relapses.

Q. Philanthropic institutions supported by the Government?—A. Philanthropic institutions subsidized as regards ex-service men, by the Government but also taking care of civilian patients.

The CHAIRMAN: Dr. Hart calls attention to the specific recommendation in the report which will be found at section 125. Hon. gentlemen might read it. If there are no more questions we can let Dr. Hart go. I do not know whether Dr. Hart has read the suggestions of the tuberculous ex-soldiers who have already appeared before us. I will ask you to look over those and if you think you can aid us in considering them, we may have to call you back, Dr. Hart.

WITNESS: I have looked over some of them, and I was present when some of the evidence was given, and I will be very glad to answer any question with regard to those which the Committee care to put to me, now, or whenever convenient.

The CHAIRMAN: We can hardly go on at this hour, but we will look over the ground and see if we will have to call you again.

Mr. NESBITT: It might be a good thing, when we are in executive session considering this matter, to have Dr. Hart and Dr. Arnold here to discuss these matters with us.

The CHAIRMAN: Shall we meet again to-morrow at eleven o'clock, and get into our stride again? We will have to "push on."

The Committee adjourned until Thursday, April 14, at 11 a.m.

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HOUSE OF COMMONS,
COMMITTEE ROOM 435,
THURSDAY, April 14, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding:

Other members present: Messrs. Béland, Brien, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Savard, Spinney, White (Alberta).—14.

The CHAIRMAN: We have a letter from Mr. H. M. Mowat, M.P., asking that we again appoint a Sub-committee to consider the question of model towns primarily for disabled soldiers. I would like to have the sub-Committee meet him and once more go into this question and report back. If the Committee is agreeable I would suggest that Mr. Green, Mr. Brien and Dr. Chisholm be appointed a sub-Committee for this purpose.

Mr. NESBITT: That will be considered when the report of the tuberculosis experts is under discussion. Practically the same subject will come up. However, I have no objection.

The CHAIRMAN: I think the sub-Committee might well consider it from both points. Mr. Mowat has seen the suggestions of the tuberculosis expert.

Mr. GREEN: Did we have a sub-Committee on this matter last session?

The CHAIRMAN: Yes, there was a sub-Committee on it last session, but no progress was really made. They simply talked it over, and made a verbal report to the main Committee. It is a matter for the Committee.

Hon. Mr. Spinney moved, seconded by Hon. Mr. Béland, that a sub-Committee composed of Mr. R. F. Green, Mr. J. W. Brien, and Mr. A. W. Chisholm, be appointed a Committee to confer with Mr. Mowat on this point.

Motion agreed to.

The CHAIRMAN: We have received a reply from the Soldiers' Aid Commission to our request in regard to their present activities with reference to that Commission. I think this might be referred to the Committee on Evidence to see whether it is necessary to go into that matter or to see whether this report is sufficient for our purposes.

Mr. NESBITT: It arises out of that question which was referred to one of our sub-Committees on Special Cases. Money has been paid over by the Pensions Board for them to handle for orphans. We asked for information as to what they are doing at the present time. I understood they were partly dissolved.

The CHAIRMAN: Perhaps instead of sending that to the Committee on Evidence, the sub-Committee on Special Cases might like to look at it, and advise us what if anything, should be done. I have a telegram from the Imperial Order Daughters of the Empire of Winnipeg in reply to a telegraphic message sent to them a few days ago on the approval of the Evidence Committee, and while the message is not very clear, it is evident that these ladies desire to appear before the Committee and are arranging to be here on Thursday next. I take it that the Committee will be prepared to listen to them. They want to support and amplify the proposition put forward by Major Andrews the other day in favour of the soldiers' home in Winnipeg. They have established, as Major Andrews told us, a very fine hospital, I think one would call it, at Deer Lodge.

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Mr. GREEN: I have no particular objection to hearing these women, but if we are going to open up the question of soldiers' homes, and bring delegations from Winnipeg to tell us about the homes, and so forth, we are opening up a pretty big question. If it is an hospital that is proposed, that is a different matter, but if it is a soldiers' home, there is a difference of opinion as to the advisability of having homes of that description which in a sense would segregate the men.

Mr. NESBITT: I am quite sure that we should not compensate them for coming here. I think the Committee in executive session should consider the question of soldiers' homes, and if there should be any idea of doing anything of the kind, then it would be all right to have those people come here and express their views. We have had the question of soldiers' homes before us for two years, and unless the present Committee takes a different attitude, it would be absolutely useless for them to come here on that question. Besides, practically the same question will come up again when we consider the report of the tubercular experts.

Mr. BRIEN: Do you not think that the time has about arrived when we must take into consideration matters of this kind? The more evidence we get, the better we will be able to deal with the question. All over the country, they are crying out for these homes, and the report of the Tuberculosis Commission gave use a gentle hint that they were of opinion that they should be maintained by extra-governmental bodies, probably subsidized by the Government. Sooner or later, this matter will have to be taken up,—the question of soldiers' hospitals and soldiers' homes, etc.,—and the more evidence we can get, the better we will be able to deal with it.

Mr. MORPHY: I quite agree with Mr. Brien in one part of his remarks. We have got to come to this sooner or later. But it seems to me that from the information we have,—I may be entirely wrong—it might be premature; we are not quite ready to undertake it. Nevertheless, it has got to come, and if it does come I should think that instead of hearing representatives from Winnipeg alone, we should make a field day of it, and have representative opinion from all over the country.

Mr. COOPER: I agree with that. I do not think it is wise to have them come from one centre alone.

The CHAIRMAN: There are many subjects referred to this Committee, which, it seems to me, hardly come within the purview of our reference; but it does seem to me that this matter could be held to be one that does. It has been pretty forcibly brought to our attention by this Association, and I do not very well see how we can refuse to hear their views. We may wish to supplement them, as Mr. Morphy says, by those of others. Later on we may decide as to what should be done or should not be done, but can we refuse to hear the representatives of a responsible association which has done a great deal of useful work?

Mr. COOPER: Perhaps Mr. MacNeil might be able to give us some idea of the views of the different organizations throughout the country as to how they feel on this matter.

The CHAIRMAN: This is a matter which I think should be brought before the Committee as a whole. The sub-Committee on Evidence considered it and their message was to the effect that it was difficult to find time to hear all those who desire to appear before the Committee. I suggested that perhaps their views might be put in writing, but apparently that has not met with favour, and the definite statement is made in the message that the deputation will be here on Thursday, that is, a week from to-day.

Mr. COOPER: What is the size of the deputation?

The CHAIRMAN: It is not stated.

Mr. NESBITT: Are we supposed to pay their expenses?

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The CHAIRMAN: There is no suggestion of that, but if the Committee desires to do so——

Mr. NESBITT: It will cost some money.

The CHAIRMAN: If the Committee desires, I presume we are entitled to do so.

Mr. MORPHY: I agree that it will cost money, but it will be cheaper if we take it up in an organized way and arrange, when that deputation is here, to have others from various parts of Canada who wish to give evidence to assist the Committee in arriving at a concrete definite conclusion as to what we are to report. If we have one delegation here at the time fixed by them, the chances are that on the following day we will get communications from all over the country requesting a reception at a time fixed by other organizations also. It looks to me as if we will have to take the matter up, if at all, as a whole Committee, at a time to be fixed by this Committee, so that we can go into it in a thorough and consecutive manner and have the whole matter crystalized in our report. That is my suggestion as to individual deputations.

Mr. BRIEN: I do not think that is exactly what we want. We would be committing ourselves more or less to a policy if we advertised the fact that we were going to hear deputations regarding soldiers' homes. I think it is our duty to hear evidence on that matter and then form our opinion as to a policy.

Mr. NESBITT: Apparently those people are coming anyway. I agree with Mr. Brien that if they are coming we had better hear them, and we can then consider the question raised by Mr. Morphy as to taking further evidence. If they are coming, and apparently they are, so long as they pay their own expenses, I have no objection.

The CHAIRMAN: I just wish to point out that in making a survey with the Secretary of the Committee last night of matters still to come before us, and without knowing at all what Mr. MacNeil is going to say, I had hopes that we might be able to close the hearing of evidence next week and get down to the consideration of our findings. That will take quite a little time. Do I understand that the Committee are prepared to hear those ladies if they appear, and do you want me to make any recommendation as to expenses?

Mr. COOPER: They are doing work for the country at large, and I do not think we should be so small as to grudge them their expenses.

Mr. NESBITT: Suppose they bring eight or ten people.

Mr. GREEN: The difficulty of the situation is this: We are sitting here as a Committee, and we are supposed to work along certain lines and to take evidence along certain lines. Daughters of the Empire at Winnipeg or at Vancouver suddenly advise us that they are coming here. We have no control over them; we cannot stop them from coming; but I do not agree with the view that we cannot limit the number and expenses of any delegation that may wish to come here.

The CHAIRMAN: If we limited the number whose expenses we were prepared to pay——

Mr. GREEN: It would be on the premise that we asked them to come here.

Mr. MORPHY: If you recognize that delegation, and it happens to number six or eight people, you cannot very well divide it up and say we will allow the expenses of only three persons. That would look pretty cheap. My idea is that if the Winnipeg delegation is bound to come, in the country's interests we should invite evidence from other places. Mr. Brien suggests that we would be committing ourselves, but it would be cheaper in the long run to have the delegation here now rather than later, when the subject becomes a livelier one and when more delegations will want to come.

Hon. Mr. SPINNEY: Your idea is to have every province represented?

Mr. MORPHY: Yes, en bloc.

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Mr. NESBITT: To get over the difficulty, if it is a difficulty, I would suggest that we ask this Winnipeg delegation to postpone their visit until such time as they hear from us that the Committee is ready to receive them.

The CHAIRMAN: That is exactly the suggestion we passed on to them in the telegrams which were sent.

Mr. PARKINSON: Perhaps I could give the Committee some information on this matter so far as the urgency of the situation is concerned. I believe that the I.O.D.E. are making representations that Deer Lodge should be taken over as a soldiers' home. It is operated at the present time by the Department, and will be so operated for some years to come, I expect. Negotiations are now under way to continue a lease of it for at least another two years, so that so far as accommodation is concerned, it will be available this year and next year to provide accommodation for our patients. I do not know whether the idea is to take it over from us and operate it as a home and keep some of our patients there afterwards; but there is no urgency so far as accommodation is concerned. It will be in our hands for the next two years.

Mr. NESBITT: And in operation?

Mr. PARKINSON: Yes.

Mr. NESBITT: I understand that the Great War Veterans' recommendations are along the same lines as the Department's specialists who were here yesterday. They want homes for disabled men, not old men's homes such as they have in the United States. We will have to consider that very carefully, there is no doubt about that. But this, I understand, is for soldiers' homes. Take our people at home; they are buying in our town a permanent home for themselves, through private subscriptions and a grant from the Crown. Nobody can complain about that, because it is done privately in the town itself, and if other towns want to do the same thing there is no possible objection, but we will have our hands full to provide for disabled men, and I do not think the Great War Veterans' Association are pressing for this type of home, but they will be pressing for the type of home recommended by the tuberculosis experts who were here yesterday.

Mr. COOPER: I think you look at it from the wrong point of view. You take it from the angle of a small village with three or four hundred of a population where they have a small number of soldiers, instead of considering it in reference to the large centres of population.

Mr. NESBITT: They were 1,800 strong in our town.

Mr. COOPER: I was not referring to your town particularly.

Mr. GREEN: I move that we hear these ladies if they come and decide on our course in regard to calling other witnesses.

Mr. BRIEN: I second the motion.

Mr. MORPHY: I am not quite certain of the object of their visit. What is it for, as expressed by themselves?

The CHAIRMAN: I was not present when Major Andrews made his statement.

Mr. MORPHY: I heard Major Andrews, but I am in doubt about the concrete matter they are after. I want to see how they put it.

The CHAIRMAN: The messages start, so far as I have information, by a telegram of the 8th April addressed to Major Andrews and signed by Mrs. J. E. Currie, which reads:

"When will resolution be dealt with. McKay says if advisable we will come to Ottawa personal representation might urge action will arrange to come any time necessary. Wire collect immediately. Have written other Winnipeg members asking them to support you and resolution. Writing."

A further telegram was received April 11, which reads:

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"Will leave Winnipeg Tuesday or Wednesday wire immediately if satisfactory."

To which I replied on the same date, as follows:

"Major Andrews has informed me of the desire on the part of the Daughters of the Empire to appear before Parliamentary Committee on soldiers' affairs. Major Andrews has already presented case to Committee who are fully seized. Doubtful if there will be opportunity this week to hear additional evidence. Suggest your visit be postponed until Committee can fix date of hearing when due notice will be given you. In the meantime glad to receive any further written representations you may care to send forward."

Then in reply to that I received the following telegram yesterday from J. E. Currie:

"Members I.O.D.E. Committee will be in Ottawa next week. Can you arrange meeting by Thursday, wire collect if satisfactory, arrange other matters and would appreciate it if you can make opportunity to meet delegates."

Mr. MORPHY: My question was with reference to the concrete proposition.

The CHAIRMAN: The resolution of Major Andrews reads as follows:

"Whereas, The Imperial Order Daughters of the Empire of Manitoba, with the consent and encouragement of the late General S. B. Steele, C.B., established the first home for convalescent soldiers in Canada, namely, in February, 1915, and,

"Whereas, the said home has been approved by the Department of Militia and Defence, and has ever since been in continual operation, and

"Whereas having been since the fall of 1919 kept open for the aforesaid purpose at the request of the Soldiers Civil Re-establishment Board, and

"Whereas the said Imperial Order Daughters of the Empire have devoted much time and labour to the care of returned soldiers in the said Home, and in the care and upkeep of the said Home, and,

"Whereas some such institution is needed and will be needed for many years to come, and,

Whereas at a meeting of citizens of the city of Winnipeg in Grace Church during the month of February, A.D. 1919, it was resolved to petition the Dominion Government to establish a permanent home in or near the city of Winnipeg for returned soldiers, and that the same be in charge of and under the control and direction of the said Imperial Order Daughters of the Empire, and,

"Whereas the said petition was forwarded to the Dominion Government during the month of March, A.D. 1919.

"Therefore be it resolved that the Board of Management of the said convalescent home do petition the Dominion Government to accede to the said petition at the earliest possible date, and that the said permanent home for soldiers be established in or near Winnipeg, and that the management of the same be entrusted to the Board of Representatives of the said Imperial Order Daughters of the Empire.

"The above resolution was passed and enacted at a meeting of the said executive of the Board of the Convalescent Soldiers Home of the said Imperial Order Daughters of the Empire held at the city of Winnipeg, in the province of Manitoba, on Thursday, the 10th day of February, A.D. 1921."

Mr. COOPER: This is Deer Lodge they are referring to.

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The CHAIRMAN: I fancy that it is Deer Lodge. Then there is a telegram to Major Andrews, March 9th:—

"We would like established home to assist the soldier to help himself regain normal health, not an old soldiers' home as mentioned in your letter, we feel that providing proper sleeping accommodation and meals a man who could work part time will regain normal attitude faster than one not having proper care more like an industrial home, many can work part but not full month, knowing they wont go hungry and will have care, greatly help, especially with nerve-shocked and neurasthenic cases, this seems to be the opinion of men here who know such a home is urgently needed here, can secure signatures if desired, also send copy of resolutions to members auxiliary G.W.V.A., have endorsed resolution, appreciate report of your presenting resolution, wish you success in your efforts for us, will send any data you wish, am writing, wire me collect if you wish information at once."

That is signed by Mrs. J. E. Currie.

Mr. MORPHY: It is not a permanent home for soldiers in the ordinary sense of an old soldiers' home.

The CHAIRMAN: Then there is a copy of a resolution from the G.W.V.A. Women's Auxiliary, which reads as follows:—

"At a recent general meeting of the Ladies Auxiliary of the G.W.V.A. of Winnipeg the question of a permanent home for neurasthenics was discussed upon a resolution submitted to us by the I.O.D.E., and it was decided that our auxiliary go on record as endorsing the project.

"I was requested to communicate this to you, in case you see fit to give the matter your support in the House."

There are other communications along the same line.

Mr. NESBITT: So far as that resolution was concerned it comes up under the tuberculosis specialists' resolution, and that is being conducted now by the D.S.C.R. Those places are all being conducted now throughout the country by the D.S.C.R.

The motion was adopted.

The CHAIRMAN: I want to put on record a telegram received from Mr. Marsh, the Secretary of the G.W.V.A.:—

"Unemployment situation worse city of Toronto laid off six hundred returned men to-day, Canadian National Railroad and Canadian Pacific Railway laid off several hundred yesterday and to-day, Government Employment Bureau reports no work available, please recommend to Government immediate action regarding public works or unemployment allowances.

Grand Army United Veterans,

J. FRED MARSH, *Dominion Secretary.*"

Hon. SPINNEY: Does that refer to the men laid off at the shops at Moncton?

The CHAIRMAN: No, this is Toronto.

Mr. NESBITT presented the report of the sub-Committee appointed to deal with special cases.

Mr. BRIEN presented the second report of the sub-Committee on Correspondence.

Mr. NESBITT: I move that the reports be embodied in the minutes.

Motion agree to.

The CHAIRMAN: Now we come to evidence. The first name on the list of witnesses is Colonel Andrew Thomson, representing the Army and Navy Veterans of Victoria, B.C., who have passed certain resolutions on re-establishment.

Colonel A. T. THOMSON, called, sworn and examined.

Mr. Cronyn having retired, Mr. Nesbitt, Vice-Chairman took the Chair.

By the Acting Chairman:

Q. You have a copy there of the list of resolutions. Please proceed with them.—

A. I have here a copy of the resolutions passed at the Convention of the Army and Navy Veterans of Canada held in Victoria in October, 1920. This Association, as probably many of you know, is a very old one. It was formed in 1834 in Great Britain, at least the parent body was, and it has been in existence in Canada for a good many years. I have no evidence in the strict sense of the term to give you, but I desire to submit the resolutions passed by the Association, and I would like to have the privilege of reading them in the hope that where necessary, comment may be made upon them. The first resolution reads as follows:—

“Whereas the fishing industry of British Columbia is one of the industries of that province and that practically fifty per cent of the fishing business of Canada is carried on in the province of British Columbia, and further whereas many returned veterans are engaged or are desirous of engaging in this important industry: Be it therefore resolved by this Dominion Convention of the Army and Navy Veterans in Canada, that the following provisions in connection with this industry be referred to the Federal Government at Ottawa with a view to their being approved by the Government, and the necessary legislation enacted to give force and effect to the provisions referred to:—

(1) That a local Fisheries Board be established in the province of British Columbia, as an administrative body, if possible, and if not as an administrative body, then to act in an advisory capacity; such local Board to be absolutely non-political and representative of the fishermen, canners, business men and citizens generally.

(2) That loans be made by the Federal Government to ex-service men connected with the fishing industry similar to those loans now granted to ex-service veterans now engaged in farming, etc., provided however, that those to whom loans may be granted, shall be required to engage in the fishing industry throughout the entire fishing season for the various varieties of fish, and use the boats and equipment obtained from such loans.

(3) The elimination of drag seine and trap throughout the entire province and also of purse seine boats in all inland waters, viz., between Vancouver Island and the mainland.

(4) The gradual elimination of Orientals from the fishing industry by curtailing each year the fishing licenses issued to this class of fishermen, thus carrying out the policy advocated by the department, Members of Parliament, and the Veterans generally, aiming towards a white man's fishing industry and assisting in building up a strong loyal Naval Reserve in the province of British Columbia.

(5) All fishing Inspectors and officials to be appointed on their merits as to efficiency and integrity.

(6) The issuance of one license covering the entire province instead of one each for the three fishing districts as at present.

(7) A bonus, and better regulations in connection with the destructive seal which now annually destroys hundreds of thousands of salmon.”

The resolutions end there. You will notice that they apply to the province of British Columbia. They state that 50 per cent of the fishing of the Dominion is in that province. That leaves our Atlantic fisheries and the Inland Lake fisheries. The G.W.V.A., with which we are co-operating in almost every instance, has a resolution

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somewhat similar to this covering assistance to fishermen all over Canada. With that we are heartily in accord, though these resolutions deal almost exclusively with fishing in British Columbia.

By Mr. Morphy:

Q. What about resolution No. 1? It sounds rather provincial in its phraseology. It speaks of a local Fishery Board. Would that be under Dominion jurisdiction?—A. As you well know, the fisheries are undoubtedly under Dominion jurisdiction.

Q. I know they are, but what do you mean by local fisheries?—A. A local Fishery Board established in British Columbia. I can only take the meaning from the language. I have no amplifications in my instructions but that means a board dealing with fisheries in British Columbia, composed of local men there. I do not know what else it can mean. That seems to be the plain intent of the language.

By Mr. Brien:

Q. Would it be similar to a Wheat Board?—A. A Wheat Board is not confined to a province, and it deals with the general market.

By Mr. Morphy:

Q. No. 2 deals with loans to fishermen. Have you any information as to the security proposed to be offered?—A. None whatever, except in a general way. I understand the security would be the boats and the tackle, with the integrity of the men, and possibly we would have no objection whatever to an advance on the part of the men of a small proportion just as in the case of the Land Settlement Board. We do not want any better treatment.

Mr. GREEN: The question was gone into last session.

WITNESS: I understand Colonel Peck has the facts pretty well. I am in this position; that they simply sent me the resolution. Then the next resolution reads:—

“That whereas a large number of ex-service men placed mortgages on their homes prior to their enlistment; and whereas during the period of their service many such men were able to make little or no payments on same and as a consequence the principal and arrears on said mortgages have so accumulated as to become a burden too heavy for the mortgagors to carry, especially where the rate of interest is high *and computed monthly*,”

“And whereas many ex-service men are in danger of losing their homes when the War Relief Act is lifted, if some measure of assistance is not forthcoming;”

“Now therefore be it resolved, that the Federal Government be petitioned to take up the matter of these mortgages when requested so to do—by paying off same and replacing them (where the security is considered satisfactory) by new mortgages at a rate of interest not exceeding 6 per cent per annum, and that the Federal Government be petitioned to introduce the necessary measure at the next session of the Dominion House to give force and effect to this recommendation.”

Now the G.W.V.A. housing proposal, I understand, includes something with regard to taking care of loans on houses. That might fairly be considered with this.

Mr. MORPHY: Are we going to hear Mr. Mowat on some housing scheme?

The ACTING CHAIRMAN: That is a garden community.

WITNESS: Then No. 3 resolution reads:—

“Whereas this convention appreciates the declared policy of the Dominion Government to give preference to ex-service men when granting positions in the Dominion Civil Service;

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"And whereas there are many cases in which it can be proved that this policy has not been carried out;

"Now therefore we the Army and Navy Veterans in Canada in convention assembled, do hereby petition the Dominion Government to immediately survey all positions which have been filled since the commencement of the late war, and in all cases where positions are held by alien enemies or men who failed to volunteer for service when by their age they were able so to do, that the Government dismiss such men and replace them by ex-service men who are eligible."

I have no data whatever as to the number involved in this proposal. I do not believe the delegates know that. The G.W.V.A. has a resolution along similar lines in which they say "as far as practicable". With that we quite agree. We understand there are especial cases and qualifications on the part of some of the civil servants which would make such a course inadvisable. Then the next resolution:—

"Resolved that the Federal Government be petitioned to so amend the Pension Act that ex-service men who are manifestly incapacitated from work by reason of shell-shock or other neurasthenic cases caused by active service, be considered pensionable."

The next resolution:—

"That this convention finds that in the lower grades of the Dominion Civil Service the salaries of ex-service men and others are barely sufficient to cover the cost of living and are not high enough to enable them to make provision for any eventualities—this being particularly the case with married men;

"That this convention therefore resolves to respectfully petition the Federal Government to increase the salaries now paid to the heads of families who occupy positions in the lower grades of the Civil Service referred to."

Then the next resolution:—

"That the Dominion Government be petitioned to amend the regulations of the Soldier Settlement Board, to give the Board authority to deal with special cases arising from time to time and not provided for by the said regulation."

The ACTING CHAIRMAN: That will be up before us.

WITNESS: Then as to the next resolution, I may say that I sent a copy of these resolutions to your secretary, and this one was returned with the comment that it was a matter for the Department of Immigration. I will read it to you if you like, and you can see whether that is the opinion of the Committee. The gist of it is:—

"And be it further resolved that the Federal Government be petitioned to immediately investigate and take such steps as are necessary to stop the great influx from the Mother Country of physically unfit war veterans now drawing a very small pension, and who are coming to Canada under the false impression that such pension is adequate to maintain them, not being properly informed of the high cost of living in Canada, a fact which will result in great hardship and suffering to these veterans."

The ACTING CHAIRMAN: That clause is all right. We will make a recommendation in regard to that if necessary.

WITNESS: Then the next resolution reads:—

"Resolved that this National Convention of the Army and Navy Veterans in Canada, while recognizing the provisions made by the Federal Government for the partial re-establishment of our ex-service men of the late war, consider that a further and complete measure of re-establishment is necessary in order to satisfy the just claims of those men who have not yet received any benefit by way of re-establishment."

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"This National Convention, therefore, respectfully requests that further legislation be enacted to enable the Federal Government to extend to all such ex-service men, such further assistance as the financial condition of Canada warrants. In taking this position this convention feels assured that the Canadian people will support any reasonable measure of complete re-establishment as a grateful recognition of the services rendered Canada by these men."

I think I might fairly comment by saying that that is a most reasonable resolution and reasonably framed.

Now the next is as to Memorial Day. I do not think you want to deal with that. It is in regard to Memorial Day.

The ACTING CHAIRMAN: I have not that.

WITNESS: It was returned to me as not within the purview of the Committee. Armistice Day is so late in the year that we are almost certain to have inclement weather, and, therefore, it is not a good day to have a celebration. I think if we could bring it on Victoria Day it would facilitate matters. The resolution reads:—

"That in view of the fact that different ex-service associations in Canada have selected different dates on which to hold memorial services and parades in honour of their dead comrades;

"Be it therefore resolved that the Federal Government be memorialized to appoint one special day, to be observed annually throughout the Dominion, to be known as 'Memorial Day', and that such day be a Sunday in the months of either May or June."

Then I have here rather a broad resolution and I think this opens a new question:—

"Whereas no general provision has been made by the Government to pension old sailors and soldiers and ex-members of the North West Mounted Police at a time of life when they become too old and infirm to support themselves or their dependents living in Canada previous to the late war and who are still domiciled in Canada;

"Therefore be it resolved, that the Parliament of Canada be petitioned to grant an adequate income to these men, and that in case where a pension is being paid, the same be increased to meet the cost of living now obtaining."

The ACTING CHAIRMAN: That came up before us on a previous occasion, I think.

Mr. COOPER: Not quite in that form. That is that all men who were in the R.N.W.M.P., who were discharged without pensions and needed pensions should be pensioned. They may only have been there three years and require a pension. That did not come up before us before.

WITNESS: Then the next resolution is in regard to the graves. Do you want this?

The ACTING CHAIRMAN: We have considered it two or three times.

WITNESS: It reads:—

"Whereas this convention has on two previous occasions called the attention of the Dominion Government to the lack of proper legislation covering the burial of ex-sailors, soldiers and veterans of our auxiliary forces;

"And whereas at the last session of the Dominion Parliament the Pension Act was amended to provide \$100 to pay the expenses of the last sickness and the burial of the pensioner under the Act;

"And whereas it is within the knowledge of this association that in the past where the Government has paid for the burial of veterans, that in many cases the work of burial has been handed to some undertaker without the

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Government having any permanent record of such burial, and that in many cases veterans have been buried in five-year graves with the result that their identity will be completely lost;

"And whereas it is the opinion of this convention that veterans who have fought for the Empire should not at their last extremity be denied a proper resting place duly recorded by the Government;

"Therefore be it resolved that this association respectfully suggest to the Government the advisability of establishing national cemeteries throughout the Dominion where veterans in past wars may be buried at the expense of the Government in well-recognized veterans' plots, duly recorded."

By Mr. Cooper:

Q. What do you mean by five-year graves?—A. I asked that question myself, and I was shocked to find that they actually had the right to remove the body and put it out in the potter's field or any place else.

Q. At the end of five years?—A. Yes.

Q. Is that throughout the country or in one particular county?—A. They say—

"It is within the knowledge of this association that in the past where the Government has paid for the burial of veterans that in many cases the work of burial has been handed to some undertaker without the Government having any permanent record of such burial."

I fancy that Col. Osborne would be able to give information with regard to that. I have not been able to get it. I just suggest his name as a source of information.

Colonel JOHN THOMPSON: The prevailing practice in France is that very few plots in the civilian cemeteries are purchased outright in perpetuity. If the patient dies, the family hire a plot for two or three years, as the case may be.

Mr. SCAMMELL: Perhaps I might make a slight explanation. That question arose in regard to only one place in Canada. The matter was brought to the attention of the Minister of the D.S.C.R., and the Minister of Militia, a few weeks ago, showing that this had been done, and an Order-in-Council was passed providing permanent graves for those cases. They are forty-eight, I believe, in number, and provision is made for their transfer, if the relatives care, within the next two or three weeks.

The ACTING CHAIRMAN: Proceed with number 12.

WITNESS: (Reads)—

"Resolved, that this Dominion Convention of the Army and Navy Veterans in Canada hereby records its appreciation of the increase in pensions granted to disabled veterans and dependents, and realizes that this increase has done much to relieve actual distress which formerly existed amongst pensioners and dependents.

This Dominion Convention feels however, that still more should be done by the Federal Government in this direction, thus assuring every pensioner of a more just and generous treatment at the hands of the nation.

This convention therefore recommends:—

(1) That in view of the fact that pensions are calculated to provide for the ordinary expenses of life only, free medical attention in the case of sickness, and where needed, free hospital treatment be provided for all pensioners and their immediate dependents;

(2) That inasmuch as there is a lack of uniformity in the classification of the disabilities of veterans arising from the fact that medical men differ in their estimation of such disabilities, a medical board be established in each province, before which appeals in regard to classification may be presented;

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(3) That since many veterans who were discharged as fit, have by reason of their war service become weakened in vitality, and are therefore less able to resist and combat disease—in the event of the death of any ex-service man within five years after the date of his discharge, a pension be granted to his immediate dependents, and that such pension should be subject to the time limit which now applies to pensions and that in every case application for the pension and proof of the need should be required;

(4) That all provisions which now apply or which may hereafter be made to apply to ex-service men and their dependents, be made to apply also to ex-members of the N. N. W. Mounted Police and ex-members of the P. F. who were not allowed to proceed overseas on the grounds that their services were required in Canada for administration, instructional and other purposes therefore being debarred,—through no fault of their own from taking up the benefits of the Settlement Act.

By Mr. Cooper:

Q. That brings up the question of all the men who served only in Canada.—A. No doubt it will, that is all those who were kept here against their will and under orders. If you open the door to one class I suppose you open it to the others.

The ACTING CHAIRMAN: Proceed with the next resolution.

The WITNESS: (Reads)

“That all members and ex-members of the Royal Northwest Mounted Police, now known as the Royal Canadian Mounted Police, who have served the necessary period of twenty years or longer be granted the long service auxiliary and colonial forces medal.”

I will take that up direct with the Minister. No. 14 reads:—

“Whereas it is deemed a necessity to establish a Home in each Province for aged and infirm Veterans of all wars:

Therefore this Convention of Army and Navy Veterans in Canada memorialize the Dominion Government and the various Provincial Governments to set aside public lands for this purpose, and to provide the necessary funds to build and maintain such Homes.”

The ACTING CHAIRMAN: That is what we were discussing a while ago.

The WITNESS: No. 16 is as follows:—

“Resolved that this Convention do urge upon the Dominion Government the desirability of its assisting the efforts being now made to establish a colony near Kamloops for returned men suffering from the White Plague.”

By Mr. Cooper:

Q. You are speaking of an institution over and above the sanatorium at Kamloops.—A. They speak of establishing a colony for returned men. May be that means working on the land.

The ACTING CHAIRMAN: Go on with the next.

The WITNESS: This deals with universal military service. I do not think that you will want to deal with that, but for the information of the Committee I may point out that they are against compulsory military service at the present time.

The ACTING CHAIRMAN: That goes to the Minister of Militia.

By Mr. Morphy:

Q. Would they be against compulsory military service at the present time if it was required?—A. It states “as being opposed at the present time to compulsory military

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service." They would be the first people in the country to stand for military service in a crisis.

Q. Why have they put that reference in at all?—A. They just sent me the resolutions passed last Fall at the Convention. Resolution No. 18 reads:

"That this Convention respectfully requests the Federal Government to institute a thorough investigation into the records of the Soldier Settlement Board of British Columbia, especially with regard to that of land purchases for ex-service men, and more especially concerning the land sales on Lulu Island as reasonable evidence exists to prove that in some instances, unwarranted prices were paid for worn out land."

The ACTING CHAIRMAN: That relates to soldiers' settlement which will be up before us.

WITNESS: The next resolution relates to the use of drugs. That will be for the Health Department, I suppose. I will take it up with the Department of Health. Resolution No. 20 reads as follows:—

"That this Convention places itself on record as strongly condemning profiteering in rent as practised in the cities and towns in Canada, and that the Dominion Government be petitioned to amplify the amount at present available under its housing scheme."

That concludes the resolutions.

The WITNESS retired.

The Committee adjourned.

COMMITTEE ROOM 435,

HOUSE OF COMMONS,

Friday, April 15, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Ross, Savard, Spinney, Turgeon, and Wilson (Saskatoon)—19.

The CHAIRMAN: We have a letter and telegram from the Amputation Club of Winnipeg. They are getting a little impatient as to their appearance here. The sub-Committee on Witnesses will deal with these.

The CLERK: I have a note from Mr. McQuarrie, M.P., who says he is ready to assist the Committee in discussing resolutions received from New Westminster and District G.W.V.A. relating to Pensions and Re-establishment.

The CHAIRMAN: The sub-Committee on Evidence can also deal with that.

Mr. CALDWELL: I have two cases which I would like to bring before the Special Committee at their convenience.

The CHAIRMAN: I am quite sure that they are prepared to hear you.

Mr. NESBITT: I will let you know in the beginning of the week.

The CHAIRMAN: We are to hear from Mr. MacNeil this morning on Re-establishment.

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C. G. MACNEIL recalled and further examined:

The CHAIRMAN: Mr. MacNeil has prepared copies of a memorandum which will be distributed among the members of the Committee.

WITNESS: This memorandum may explain, Mr. Chairman, in the briefest form possible the gist of the views expressed within the Association by resolution during the past year. The first clause is:—

“1. That as the re-establishment of ex-members of the forces has not yet been satisfactorily accomplished, the national effort in this regard be suitably maintained to promote more generally the rehabilitation in civil life of the physically fit as well as the disabled.”

This merely states in general terms our views as to the further requirements of re-establishment. There seems to be a general disposition to regard this problem as about solved. The contrary has been the experience of our organization. As a matter of fact, the problem has assumed even more acute proportions than ever during the past few months. The industrial depression of the past winter, and the general trend of affairs have shown very clearly that there is a large percentage of the demobilized members of the forces, whose re-establishment is by no means secure, and it is our belief that this Committee should consider measures to complete this re-establishment, to make secure the economic status of all men whose status has been disturbed by war service. We have too many returned soldiers in Canada who are obliged to make desperate shift to maintain even a bare existence. Without attempting any criticism of past re-establishment measures, I think it should be noted that these measures have brought benefits to a comparatively small percentage of the demobilized forces. We shall say that there are about 40,000 odd vocationally trained, about 20,000 actually settled on the land, with another 20,000 qualified, who, we will expect, will be settled on the land in the next few years. That makes only 80,000 out of a total of 360,000 demobilized men with a substantial period of service who have received benefits which could be regarded as aiding the process known as re-establishment. That is, pensions, medical treatment and benefits of a similar nature, do not in any way re-establish a man. They compensate him for loss, for physical disability, for loss of earning capacity, and all that sort of thing; but they do not provide any compensation for the loss endured by that man for the time he was absent, for the commercial disability, as it is frequently termed, resulting from war service. That leaves possibly 280,000 demobilized soldiers who have not been considered eligible for re-establishment measures strictly speaking. It is our estimate that fully 50 per cent of this remainder are at present under make-shift arrangements to maintain existence. As a matter of fact, their circumstances in a large number of instances are even worse than they were at the time of actual demobilization. It is sometimes contended that employment has been provided for those men, but I wish to point out that employment, in all instances, does not mean re-establishment. There have been too many men provided with casual employment, and much of this work is now stopped, and these men are not able to find opportunities in substitution.

As an instance, to show how employment opportunities have not meant re-establishment, I would cite the employment conditions for returned soldiers in the Civil Service. The Government of Canada as a large employer of labour, has made a great effort to absorb in employment the demobilized soldiers, particularly the disabled men. Nevertheless—these are the most recent statistics furnished by the Civil Service Commission—out of 29,084 appointed to the Civil Service, only 8,448 are in permanent positions. These statistics will be subject to alteration.

By Mr. MacNutt:

Q. Do these include the last permanent appointments?—A. A large number have been made permanent, but not as many as is generally supposed. Against that, you

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will find that there has been a substantial reduction in staffs about the end of March. As a matter of fact, three or four of the large departments, because of unemployment conditions, carried staffs longer than they really intended to do, but it was impossible for them to carry extra staffs beyond the 31st March. So you will find, that of the temporary employees, a tremendous number have been released.

By Hon. Mr. Spinney:

Q. Have you any evidence to show that returned soldiers qualified for Civil Service positions have been overlooked?—A. No, sir, that is not my point. I am not advancing this in the way of criticism, but by way of illustration of the fact that, even in an institution like the Government, which is making an effort to provide employment for returned soldiers, its measure of employment has not been to a great degree a re-establishment provision.

Q. They have followed the regulations that returned soldiers should receive appointments for which they are qualified up to the demands of the Civil Service,—that is so far as the Government is concerned?—A. Yes, sir, we have no criticism to make in that regard, but when it comes to the matter of reducing staffs, it is very difficult to determine how far it is possible to consider the necessities of returned soldiers without imperilling the efficiency of the staffs. I would not attempt to say here where the line should be drawn, but they apparently must draw the line, and you will find that in the releases that are being made, returned soldiers form a large percentage. They are the least efficient, they are junior to the men who were on the staff during their absence, and there are many reasons for their being released. I wish to point out that this experience is being repeated everywhere throughout Canada to-day.

By Mr. Nesbitt:

Q. Is it not a fact that all civil servants are taken on temporarily at first, and that only the temporary ones are considered when the discharges take place?—A. Yes, then again, there is the other phase of the question that the majority of returned soldiers were employed in war-time departments whose work is not permanent, and owing to the cessation of work they have been released. This experience on the part of the returned soldiers in the public service is being repeated everywhere throughout the country because the large employing corporations are also reducing staffs, and the returned soldiers from a very large percentage of those who are being released, while there is no compensating movement to provide employment opportunities. My point is, and I am citing it only by way of illustration, that even though conditions are more favourable in the Government service for returned soldiers than they are in the ordinary employing corporations, the Government has had to release a large number of returned soldiers, and that employment of that nature has not been re-establishment. I mention this merely as one phase of the question. The circumstances of a large class of men are sorrier to-day than they were when they were demobilized. Their resources are exhausted, they are discouraged in many ways, they are facing increased living costs, and their outlook is uncertain. It is a situation which you cannot possibly overlook, and which prompts this recommendation.

By Mr. MacNutt:

Q. Is that not the case with civilians as well?—A. The returned soldiers, as a class, are suffering under the pressure of economic conditions more severely than the others. They are several laps behind in the economic race, you might say.

By Mr. Green:

Q. Have you any information to give this Committee as to the proportion of those 250,000 men that you are speaking of, whether the proportion is greater
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than it was before the war?—A. Definite statistics in regard to that it would be almost impossible to obtain. We approach the question from this angle: Our definition of what re-establishment procedure should be is the best possible effort to restore the men—

Q. I am not finding any fault with that. I am just seeking information as to what proportion you have now as compared with the period before the war.—A. Any conclusion in that regard would be mere conjecture. There is beyond doubt a large number whose circumstances are infinitely worse than they would have been if the men had not engaged in war service. Our definition of re-establishment procedure is the best possible effort to restore all men to the status they would have enjoyed but for war service. We are not endeavouring to make any request or recommendation that is not reasonable.

By Mr. MacNutt:

Q. A great many of them had no employment previous to the war.—A. There was reasonable unemployment in Canada at regular intervals. That has been very carefully analyzed in the reports of several commissions prior to the war, but never has there been unemployment to the extent that was experienced last winter, and that possibly will be experienced next winter, and a large percentage of the unemployed were returned soldiers.

MR. NESBITT: Your argument appears to be all right along that line, but you must bear in mind, as Mr. MacNutt says, that there was actual unemployment for two years before the war, in 1913 and 1914. If we get back to the statistics for those years, we will find more unemployment than there ever was in Canada before.

WITNESS: There is this to be considered; the man who was thrown out of employment was the casual labourer. The unemployed were restricted to certain classes, and to-day you find among the unemployed, returned soldiers of high professional standing, men who have had valuable commercial experience in all walks of life. That is one of the appalling features.

MR. NESBITT: When businesses are shut down it is bound to occur.

MR. MACNUTT: I do not think that is a reason why we should not look after them now—the fact that they were unemployed before the war. We should do everything possible to improve the status of the returned soldier, no matter what his status was before the war.

MR. ARTHURS: I think Mr. MacNeil's position is well taken. The argument as I see it is this: that these men returning and finding positions, are juniors to all the other employees in any company, and in the natural business course the last ones to be employed are the first to be let out, in case the staff is to be depleted, and the result is that many of these men, having been taken on, are now out of a job, that they would not otherwise have been out of if they had not gone overseas.

WITNESS: And also this point; admitting that there was unemployment prior to the war, and that there would have been unemployment if the war had not come on, the returned soldier is doubly handicapped; if he is not equipped to enter into the economic competition he is at a still greater disadvantage than the average worker.

By the Chairman:

Q. Are you going to give general figures as to unemployment?—A. Yes, later on.

By Hon. Mr. Spinney:

Q. You say that 250,000 are now out of employment and have not been taken care of. Have you any statistics to show what percentage of the 250,000 now out of employment it is necessary to provide for?—A. My point was that the existing measures do not provide for the 250,000, but they are restricted to the disabled men and those

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engaged in agriculture. No effort has yet been made to deal with the rest of the 250,000. My statement was that fully 50 per cent of those men are in serious plight at the present time. There is another serious point, that present re-establishment measures have been largely restricted to the disabled men. No recognition has yet been taken of disabilities not purely physical. Men have lost in efficiency and in time.—Many men who have never suffered disability which can be so defined in the pension law, and whose need is sometimes quite as acute as the man who is actually disabled. We consider also that this question should be approached from the standpoint of the national interest as well. We are not unmindful of the limitations of the public treasury. The most recent resolution of our Association reads as follows:—

“Resolved that it be again declared by this Dominion Executive Committee, that the legislation sought on behalf of returned men by the Great War Veterans’ Association, is not advocated in the spirit of selfish class interest, but is rather designed for the general well being of the community, and granting to returned soldiers whatever initial advantage may be possible in compensation for the existing disadvantage resulting from war service.”

We are not petitioning alone for general liquidation of the obligations to the returned soldiers, but we wish to point out that it is national opportunity. A man re-established is a national asset, and one not re-established is an ever-increasing liability. We think conditions to-day warrant investment in man-power of this nature, to salvage what may be salvaged, and that the debris of the war may be so utilized. These men were equipped to go to war to protect national interests, and they can be similarly equipped for peace in the interest of national development. I have divided the recommendations into several sections. The first one being with medical treatment and after-care. We ask first—

“That provision be made for free medical treatment during a period of five years following discharge from overseas active service.”

That request was brought before the Committee last year. There are several reasons prompting it. One is that it has been found that a large number of returned soldiers suffered severely from impairment to vitality. It is not always possible to prove that loss of vitality or impairment of health is strictly due to war service.

By Mr. Arthurs:

Q. Have you any figures as to the number of men who have been discharged as medically unfit and who are not in receipt of pension?—A. I have not any definite figures.

Q. There is a large number?—A. Yes.

By Mr. Copp:

Q. This applies to all men in the C.E.F.?—A. Yes.

Q. Irrespective of what caused their illness, whether due to war service or otherwise?—A. Provision was made for free medical treatment, following discharge, for one year.

Q. And you want it extended to five years?—A. Yes. The experience of that one year’s medical service and the resulting value would warrant its extension to five years, and it would be to the advantage of the country to do that.

By Mr. Douglas:

Q. Can you give us any figures as to what the free medical treatment costs the country?—A. That would be available at the D.S.C.R. I would not care to give a figure.

The CHAIRMAN: We have the report dealing with that complaint.

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WITNESS: We also contend that if medical treatment were made available to discharged members of the forces in this way it would prevent subsequent complications. There are always very distressing cases brought to our attention, in which the plea is made by interested sections of the community for provision for pensions, and that sort of thing, or for medical treatment. If the man who is in impecunious circumstances, as the majority of the returned soldiers are, had the opportunity of consulting with a reliable physician or attending a clinic, he would probably get advice or attention which would enable him to avoid a complete break-down later on, and when the break-down occurs public sentiment generally demands that he be taken care of by some public institution. We think that a continuation of efficient medical services for that man, not necessarily hospitalization, but efficient medical service, would be very much to the advantage of the State as well as of the returned soldiers. Last winter it was found necessary to extend free medical treatment to the unemployed returned soldiers who required the same. I do not think a very large number of men applied for that, but it did prove to be a boon of inestimable value to the few who did require it.

By Mr. Douglas:

Q. You have had statements from your members substantiating the claim that they appreciate that medical treatment?—A. Yes, very much indeed.

Q. Did it include all the medicines as well as the medical advice?—A. Free medical advice, medicine and appliances, and, only where possible, hospitalization; the hospital facilities were limited to some degree, but there were some who were admitted to hospital, I believe. I think this course was adopted by the D.S.C.R., and I think their experience was that the demand was not unreasonably heavy. Following the application of the same principle for the period of five years, I think its cost would be more than compensated for by the insurance against even greater liabilities. The second clause reads:—

“That provision be made whereby dependents of deceased or disabled members of the forces may receive medical treatment at the public expense.”

This has been advocated largely because of the limited income of seriously disabled men and the families of disabled members of the forces. It has been found necessary for the patriotic fund in certain centres to establish medical clinics for these people and the work accomplished by these clinics has been well worth while. We think it is a just and necessary thing to do for these people, particularly the work among the children.

Q. If the first clause is granted, naturally the other clause must follow?—A. We would expect so. Then number 3 reads—

“That in accordance with the recommendations previously approved a definite scheme for the after-care of ex-members of the forces discharged from sanatoria following treatment for tuberculosis be placed into immediate operation.”

That has already been discussed fully before the Committee. We are asking that.

By Mr. Nesbitt:

Q. You are supporting the recommendation of the experts?—A. Yes, very much. Then number 4—

“That more adequate facilities be established for the care and treatment of ex-members of the forces within the category of “problem cases” as defined in the report of the Special Committee of the House 1920, and that to this end more extensive development be undertaken of the work of the Vetcraft shops now in operation.”

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I am given to understand the D.S.C.R. intend submitting a report relating to these returned soldiers, of their experiments in this regard, as recommended by the Committee last year. We are heartily in support of the experiment which has been adopted with the Vetcraft shops. Our members report most favourably upon the work that has been undertaken, and ask that it be more extensively developed to include other occupations than those already dealt with. We also find that the men who have received treatment, or who have been provided with work in the Vetcraft shops, are also contented and quite anxious to continue. Referring to the discussion which took place in the Committee yesterday, I may say that we are firmly opposed to the policy of establishing what are commonly described as Old Soldiers Homes. If that can be avoided, we should avoid it, unless it becomes inevitable for certain types of cases. We think that, along the lines more or less defined by the D.S.C.R., better results will be obtained. Hostel accommodation will be provided for men who have not suitable homes, who are unmarried, who are unable to provide themselves with suitable homes.

Another point in which we are interested in this regard is the proposal which has been made that the work be turned over in its entirety to extra departmental agencies. If it is intended to delegate the entire responsibility to organizations of a voluntary nature to that we certainly would be opposed. The care of the classes of men involved is primarily a State responsibility, and we think it would be wrong in principle and impracticable of operation to delegate that responsibility to other organizations in Canada.

By Mr. Douglas:

Q. You are in direct conflict with the report of the tuberculosis experts on that matter?—A. Well, it is not quite clear. If they propose that the entire responsibility shall be delegated to other agencies we are opposed. We realize the necessity of co-operation with all the other societies, and it will be necessary to introduce into the administration of these problems a certain flexibility of the administration; but we think the backbone of the administration should be furnished by the Federal Government. We are not anxious to imitate all the conditions existing in England. There is another point, too. The organizations in England have been in existence for a longer time, they have been more firmly established, and the conditions and principles of operation in England are entirely different from those in Canada.

By Mr. Nesbitt:

Q. In other words, no matter how these things are operated, you think the Government should keep control?—A. Absolute control. We find it difficult to understand why it is not possible to introduce sufficient flexibility into the administration of the Department. There are some branches of the D.S.C.R. that have already demonstrated that this is possible. Take, for instance, the after-care section of the Vocational Branch, or the former Information and Service Branch. There you had flexibility as great as it is possible to find in any voluntary organization. Take the Patriotic Fund organization. They have done an immense amount of work, but to-day, after seven years of operation, their organization is not any more flexible so far as I can judge, than that of the Department; in certain phases of the work it is even less so. If, for instance, it becomes necessary to appeal on behalf of any group of returned soldiers, you find it always possible to get in touch with the Deputy Minister and those with whom he is associated. Men who have specialized in the work, and who are able to give an immediate and fair decision. If it becomes necessary to deal with an emergent situation within the jurisdiction of a voluntary organization, or a semi-public body, it is not always possible to find an executive official who is empowered to make a decision. You usually have to wait sometime for a decision from the governing body who are men engaged in other activities, and who find it impossible to specialize on the particular problems under

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discussion. We think that there are many reasons why the direct control of those problems should remain in the hands of the Federal Government.

By Hon. Mr. Spinney:

Q. I think you are wrong in your deductions in regard to the work done by the patriotic organizations throughout the country. I know of several cases which have come before the Committee, of which I am a member in my own riding, that could not have been treated under regulations by Government control, and I have no doubt that other sections of the country could give a similar report. I think that your statements that these patriotic organizations are inefficient will scarcely hold water.—

A. I realize fully the local conditions. I am not criticizing the work of the Patriotic Fund in any degree. My point is that it might be possible to introduce some degree of flexibility into the operation of the Department. By way of illustration, take the administration of the Employment Service of Canada. Under that organization different sections of the community are brought into touch with an administration under the control of the Federal Government. I realize the necessity of that particular feature of the work which you point out, but I think that that can be approached in another way.

Clause No. 5 reads:—

“That in conformity with the recommendations previously adopted by the House of Commons, pay and allowances during medical treatment, following discharge from the army, be scheduled without regard to former rank held in the C.E.F.”

The Special Committee of the House, in the second session of 1919, recommended that the pay and allowances be issued without regard to former rank. That, I believe, was also discussed by the Committee last year. The new schedule of pay and allowances was issued in strict conformity to the former rank held in the C.E.F. Taking the schedule, you find that a single man who lives at home receives \$75 a month, while at the bottom of the schedule you find that a major-general receives \$720 a month. I wish to place the association on record that that sort of thing in civilian life, the perpetuation of the distinction of rank held in the C.E.F., however necessary it may have been in the army, is objectionable when projected into civil life.

By Mr. Cooper:

Q. Does that not only apply when a man of any rank was transferred from the army into the D.S.C.R. for treatment, not after he had been demobilized?—A. I believe that it applies on account of recurrence of disability as well.

Mr. NESBITT: I do not wish to contradict you, because probably your memory is better than mine, but you say that the Committee in 1919 recommended that. My recollection is that they did not.

WITNESS: The recommendation was:—

“That, as all ex-members of the Forces receiving such medical treatment are civilians, and it is desirable that all ex-members of the forces be treated alike as Canadian citizens apart from military distinction as to rank, etc., the rate of pay and allowance granted to all those undergoing such treatment and to their dependents be the rate now paid by the Department to an ex-member of the forces who held the rank of private in the C.E.F. prior to his discharge from the army.”

Mr. COOPER: That was subsequently amended.

Mr. NESBITT: As Colonel Cooper says, that was amended.

Mr. ARTHURS: I think Col. Cooper is right.

Mr. CRONYN having retired, Mr. Nesbitt took the Chair.

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The ACTING CHAIRMAN: We will take that up.

WITNESS: The next recommendation also concerns pay and allowances. It reads:—

“That no deduction be made for cost of hospital maintenance from the pay and allowances issuable to former members of the Forces during medical treatment for disabilities attributable to war service.”

By the Acting Chairman:

Q. What is that?—A. At the present time there is a deduction of something like \$30 for the private from his pay and allowances—that is if he requires hospital treatment. He only receives pay and allowance at the rate of \$45, and an allowance for his wife and children in addition.

By Mr. Copp:

Q. That is for a private?—A. Yes, for a private.

By the Acting Chairman:

Q. He is charged a certain amount for his maintenance in the hospital. If he is a single man he would not expect us to give him full pay and allowances and also maintain him in the hospital. If he is a married man, as I understand it, we give an allowance to the family.—A. There are several ways of looking at that. If a man had remained on the strength of the C.E.F., and had fallen sick and was placed in hospital, he would receive medical treatment, and his pay and allowances would continue at the same rate.

Q. That is, if he were in the service?—A. Yes sir, or had returned from service, or was under the late Military Hospitals Commission. If it was found necessary to continue the pay and allowances under those conditions, why should they not maintain, for those of lesser rank, the same privileges that they would have enjoyed on service. I am not clear as to where the authority exists for the deduction. It must be remembered that it is serious enough for a man to have to go into hospital, and surely it should not be overlooked that he is losing time while he is in hospital, is not earning anything, and is being deprived of many privileges enjoyed by the rest of us in every day life.

By Mr. Douglas:

Q. You do not contend that there are many members of the C.E.F. now receiving hospital treatment?—A. Oh no, sir, there are not any; at least very few.

Q. Then what is the force of the recommendation?—A. When a man requires medical treatment, if they had continued the old arrangement where the man remains on the strength of the C.E.F. in order to get medical treatment, he would receive pay and allowances; but now, if he is undergoing medical treatment, whether transferred directly from the C.E.F. or not, or is treated for a recurrence of disability, the moment he gets on the strength of the department and requires hospital treatment, a deduction is made for the cost of maintenance. Our argument is that if it has been found necessary on the one hand to continue the perpetuation of this distinction according to rank, then the private is certainly entitled to receive it. We are not asking that he should receive it during his treatment, but that he should be credited with the full pay and allowances.

By Mr. Cooper:

Q. Have you worked that out? It means to me that if a single man gets \$45 and hospital treatment, he is getting more than he would get under the pay and allowances of a private who would only receive \$1.10 a day and would not receive any ration allowance.

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The ACTING CHAIRMAN: You had better work that out Mr. MacNeil.

WITNESS: A deduction is made for the cost of hospital maintenance.

Mr. COOPER: Yes, but the private just gets \$1.10 a day. Take the case of the married man. While in the army he gets \$33 and a separation allowance. I do not know what the allowances are under the D.S.C.R., but I think they are about \$75

WITNESS: The rates in the Permanent Force to-day have been substantially increased. I am not arguing by way of comparison. I am pointing out that the principle of making a deduction is vicious.

The ACTING CHAIRMAN: I think you had better work that out.

WITNESS: That is hardly the point under consideration. The point is that a deduction is made, and we are opposed to the deduction. It is not a matter of comparison with what the Government paid him while he was in the C.E.F. The man in hospital is not earning anything. He should at least get some compensation for loss of earnings. If he is confined to hospital, why should he not be permitted to enjoy the full pay and allowances credited to him?

The ACTING CHAIRMAN: We will look into that.

WITNESS: No. 7 reads:—

“That treatment with pay and allowances be continued as long as necessary in all cases where former members of the Forces while undergoing treatment for war disabilities contract other ailments.”

Assurance has already been given by the department that this is done, but we would like to have the assurance more definitely determined. We have received complaints to the effect that while undergoing treatment for war disabilities men contracted other diseases of a contagious nature and did not find it possible to draw pay and allowances while the treatment was continuing for that disease.

The ACTING CHAIRMAN: I see what you mean.

WITNESS: No. 8 reads:—

“That adequate facilities be maintained to complete the dental treatment necessary upon the discharge of former members of the Forces.”

I think that is a question which has not yet been fully inquired into by this Committee. An arrangement has recently been made in that regard as to which no doubt the Director of Medical Service will make a statement, but there are a large number of men for whom it was impossible to provide facilities for dental treatment immediately following discharge. There is a certain amount of work required to clean up the residue, as it were, of that work.

The ACTING CHAIRMAN: We extended that last year, did we not? That is my recollection. However, we will go into it.

WITNESS: No. 9 reads:—

“That the provision for certain classes of incapacitated ex-members of the Forces under section 63, subsection “M” be made operative with delay.”
Section 63 reads:—

“The Board may, with the approval of the Governor in Council and subject to the provisions of this Act, make regulations prescribing——”

Then paragraph “M” reads:—

“With respect to blind or other partially but seriously incapacitated settlers special provisions for assistance in settlement in small holdings or otherwise inclusive of the remission of interest in whole or in part.”

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I have not referred to the soldiers' settlement in this memorandum. This more definitely relates to the treatment of incapacitated men in connection with the after-care scheme in the soldiers' settlement.

THE ACTING CHAIRMAN: Better leave that till we get to the soldiers' settlement question.

WITNESS: Except we believe the operation of this Act should be considered in connection with the treatment of incapacitated soldiers. There are certain classes of incapacitated soldiers, we believe, might well be placed on small holdings. It is not strictly an agricultural proposition, but considered as an after-care scheme or housing proposition, it would be very much to their benefit.

By Mr. Cooper:

Q. It is the Soldiers' Settlement Act you are referring to?—A. Yes.

THE ACTING CHAIRMAN: You should have that on a separate memorandum, because we will be going into that some day before long.

WITNESS: Then No. 10 reads:—

“That arrangements be made whereby free transportation may be furnished ex-members of the forces suffering from total blindness.”

This has already been advocated before the Committee. The chief reason for the suggestion is that men totally blind are usually required to take an attendant along with them, thus being required to pay double transportation. We feel that it might easily be possible, in view of the limited number with this disability, to provide free transportation.

By Mr. Cooper:

Q. For the attendants?—A. Well, we just made the general recommendation.

By Mr. MacNutt:

Q. What does that mean?—A. Whenever he is required to travel.

Q. For private purposes?—A. Yes, sir, otherwise he is handicapped with double expenses.

By Mr. Green:

Q. Free transportation anywhere?—A. I think if a blind man wants to travel he should not be charged. If anything can be done to lighten their condition it ought to be done. Then No. 11 reads:—

“That more adequate provision be made for the burial expenses of ex-members of the forces who die in destitute circumstances and for the dependents of those members of the forces who died on active service.”

Already some provision is made in the Pension Act, and the D.S.C.R. has in every possible case given a generous interpretation to their regulations in this regard, but there are certain cases where men with excellent military records die in destitute circumstances, and it becomes a perplexing problem as to who is responsible for the burial. It is repugnant to public sentiment that men with good service records should be buried, without fitting honors, in the “potters' field,” and we think that a more general extension of the existing regulations would not be too expensive and would be very suitable.

Mr. Cronyn resumed the Chair.

By the Chairman:

Q. Has your association taken any view on the Last Post idea? Dr. Atherton, president of that association, is anxious to be heard.—A. We think it is an excellent [Mr. C. G. MacNeil.]

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thing and ought to be considered. Some excellent work has already been done. Some statements have been made before the Committee which were not exactly accurate. Very excellent provisions has been made for burial plots under the War Graves Commission.

Mr. NESBITT: I think we are to have someone before us in regard to that.

WITNESS: That is Colonel Osborne.

By the Chairman:

Q. Burial plots in Canada as well as overseas?—A. Yes.

Mr. CALDWELL: At the meeting of the municipalities of Canada recently held, they decided to memorialize the Government to do this very thing.

Mr. NESBITT: I think Colonel Osborne can give us all information on that question.

WITNESS: That refers only to men who died on service. I am dealing with men who died under circumstances, which, under existing legislation, make it impossible for the D.S.C.R. or Board of Pensions Commissioners to deal with them. The next recommendation reads:—

“That a measure be introduced without delay making provision for the additional risk involved in the employment of disabled ex-members of the forces in industry under Workmen’s Compensation legislation, as recommended in the House of Commons, 1920.”

We are also asking that the recommendation of the Committee last year be given effect to. I understand that the D.S.C.R. have made provision in anticipation of this. We merely wish to point out that the necessity is very great at the present time, and adds seriously to the disadvantage of the disabled man in securing work with large employing corporations.

By the Chairman:

Q. You have had specific cases of this kind come up since last year’s meeting?—A. Yes. We took a survey of the matter with the provincial commands and in every instance they reported they had information regarding quite a large number of men who could not be employed; even mentioning the names of the firms, and in every instance they asked that the names of the firms be not mentioned. Under the compensation legislation in that particular province, it was hardly the fault of the employment interests. The next recommendation reads:—

“That the present rate of pay and allowances to men undergoing vocational training be increased to conform with the proposed increase to the total disability pension, and that no deduction be made on account of pension.”

Already the pay and allowances conform with the standard set by the total disability pension. We realize the necessity for that conformity. It is very desirable that it should conform.

Q. You say they already do conform?—A. Yes. We were pressing for an increase to the pension and with regard to the rates on pay and allowances in vocational training—

By Mr. Nesbitt:

Q. At the same time they pay the same as the pensions?—A. Yes.

Q. But if the pension is increased you want this also increased?—A. Yes, the one is as necessary as the other.

By the Chairman:

Q. You suggest that no deduction be made on account of pension. What is the practice now?

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Mr. NESBITT: They do not draw a pension while they are drawing pay and allowances.

A. It has always been urged that pension should be paid as well as vocational pay and allowance. The reason is that the man with serious disability has just that much additional expense, and he should have his transportation and clothing.

By Mr. Green:

Q. How is he at additional expense when he is in vocational training more than when he is not taking it? What is the additional expense? If the pension is supposed to cover his living, why will it not cover it just the same when he is taking vocational training as when he is not?—A. The rate of pay and allowances in vocational training is a minimum estimate of what his earning capacity would be industrially. And if he were receiving pay from an industrial company he would also receive his pension. It has always been a principle of the Pension Act that earning capacity be not considered in determining the pension.

Q. In vocational training he is not supposed to be earning; he is supposed to be learning. He has been given something, rather than something being taken from him?—A. Yes, I recognize that difference, but the seriously disabled man has the additional expense which would warrant an additional payment of pension. Take an amputation case—

Q. You speak of this additional expense because of taking vocational training. In what way do you mean?—A. Because of his disability.

Q. That is provided for by the Pension Act. If the pay and allowances equal that sum, why should he have his pension, and be given treatment, and be given a payment in addition to that? What is your argument based on? That is what I want to get at?—A. Well, even though the rate of pay and allowances does conform to the total disability pension, it is not a provision that enables a seriously disabled man to secure even the amenities of life.

Q. You will admit that it is an advantage that you are asking for; you are asking for an advantage, and we think we are giving you an advantage when we give you vocational training?—A. Yes.

Q. We are supposed to cover the necessities with this pension?—A. Yes.

Q. If he is disabled and not able to follow his former occupation, in addition to that we give him a vocational training. You are asking in addition to that advantage that the man has over the other chaps in getting vocational training, that he be paid something in addition. I cannot see your reasoning?—A. Is not the pension gauged to fill the gap between his normal earning capacity and his present capacity?

Q. But he has his pension, and in addition to that he has his training?—A. He is not earning anything. If he stepped into civil life he would have a certain earning capacity which would supplement his pension, which would equal the pay and allowances or more. We are asking this in order to equalize the handicaps placed on the disabled men. If he were slightly disabled he would have a small pension, and if he were seriously disabled he would have the pay and allowances to equal the additional expense he would be put to over the other man. It would take care of that discrepancy in the matter of expense.

By Mr. Nesbitt:

Q. Are they not after all, on an equal basis? The man who is seriously disabled does not get a very large pension and has to make that up by his earnings?—A. Yes.

Q. If he is seriously disabled he probably gets a full pension?—A. Yes.

Mr. NESBITT: If he gets a full pension, when he begins vocational training he gets full pay and allowances, so that he is absolutely on the same basis.

Mr. GREEN: I cannot see the basis for this recommendation.

[Mr. C. G. MacNeil.]

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The CHAIRMAN: Perhaps he thinks that when men go on vocational training all men are on a parity, so far as pay and allowance are concerned.

Mr. GREEN: Is it not right that they should be?

The CHAIRMAN: The man with a 20 per cent disability and the man with a 100 per cent disability are put on the same basis, both getting the same benefits and the same pay.

Mr. GREEN: And the pay and allowances supposed to equal the full disability pension.

Mr. COOPER: This point is rather that the man on pension is earning something outside, but when he goes in for vocational training he is earning nothing; and the idea of getting the pension in addition is to equal the money he would have earned outside—

Mr. NESBITT: He gets full pay and allowances once he goes into vocational training.

WITNESS: A single man gets \$75 a month, and that under present conditions does not enable him—

By Mr. Green:

Q. That might be an argument for pay and allowances being increased or for an increase of pension, but it is not an argument in favour of paying to the man who is taking vocational training, who is getting an advantage over the other man, a further sum?—A. A man's disability may range from 20 per cent to 80 or 100 per cent. The man with 20 per cent has the partial use of the left arm perhaps, and he can go round quite handily, and can live on the outskirts of the city, and he can walk into town. But take the man with a hip amputation receiving \$75 a month,—that does not enable him to live outside the city; he has to pay transportation and he is subjected to additional expense over and above the man who has a minor disability.

Q. That is what my first question sought to bring out, as to what you base this on. You talk about additional expense, and I wanted to know what it was?—A. The man who has to wear some appliance has the expense of wear and tear of clothing. The man who has a leg amputated has additional expense in the way of transportation, and the man who has suffered from T. B., or from some trunk or head wound may require a special diet.

Q. That applies to all?—A. If you consider the civil phases, as the pension is reduced, so his earning capacity increases.

Q. That is when he is out; when he is in, his pay and allowances are equal to those of the other fellow?—A. We think that if you super-imposed the pension upon pay and allowances it would equalize the conditions. No. 2 reads:

“That an opportunity be given for extension of training to all those who have completed courses of training, and who, through no fault of their own have not gained a degree of efficiency enabling them to gainfully pursue the vocations selected.”

This recommendation is advanced not because of any particular criticism of vocational training, although it must be recognized that in the earlier stages it was largely experimental. As the result of those experiments, the training improved as the work progressed. But I think the Department will admit with us that there are some men who, for various reasons, have not been able to take full advantage of the vocational training; that is, they have not been sufficiently trained and are not able to pursue the vocation selected for them. We contend that in all deserving cases, where it would be to the advantage of the men, and also to the State, to continue and

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extend that training or renewal, it should be done. A certain amount of effort is required to satisfactorily complete the work already begun. I think the Department, has, in some degree, admitted the responsibility in this regard because a number of re-training courses have already been granted this year, in regard to which you will no doubt require statistics. Some 400 cases have been renewed.

By Hon. Mr. Spinney:

Q. Extended vocational courses have been granted?—A. Yes.

Mr. NESBITT: They do that frequently. Many of them who get extensions do not follow up the vocation they were trained for, but immediately go to something else.

The WITNESS: If a man abuses the privilege through his own misconduct or obstinacy, or negligence, or indolence; if he does not properly avail himself of the opportunity, we have no brief for that man, and we would not support him. But there are a large number of men who are sub-normal, and who through advanced years—

By Mr. Nesbitt:

Q. I agree with the principal you are discussing, but I know of various instances where the Department gave an extension and the men did not avail themselves of it after they got out. It was just a waste of time.—A. It must have been due to some fault in the selection of a course, or in the placement.

Q. It was their own selection.—A. Of course, in every instance the selection of the man himself should not control.

Q. I quite believe that, but if you do not give them the chance of selection there is dissatisfaction.—A. I think that if sympathetic officials would, wherever possible, discuss with the man himself the selection, the man would agree to the selection. It would ultimately be in his own interests. It may not be always possible to select interviewers of broad understanding and sympathy, but in many centres they have men of broad understanding and great experience of industrial conditions who get satisfactory results. If trained to the proper degree of efficiency, the man usually desires to follow the vocation for which he has been trained. I think cognizance should be taken of such factors in the situation.

Q. I think it is only fair to the Department to say that, so far as my experience goes, they have shown all the judgment it is possible to use and have done everything they could for the men who felt that they would benefit by the training.—A. On the other hand, the regulations of the Department are fairly rigid with regard to the length of course.

Q. We know that, but either last year, or the year before, we gave them an option.—A. They adhere pretty strictly to the regulations. Take for instance the aid to University students. It has come to our attention several times that the regulations state one term only, and that whether the term were four, six, or eight months, the student only got one term. Some students said, "We have only used up five or six months of our vocational course, and we were led to believe," or at all events they gained the impression, that they would get assistance for two months in the next course, which, with their earnings during the holidays, would put them through another term. But the Department stated that under existing regulations, it was impossible for them to grant an extension under those circumstances. I am not quarreling with or criticising the policy of the department in that regard; I merely wish to point out that they are much more rigid than is generally supposed.

By Mr. Edwards:

Q. Can you tell us how many at present are taking vocational training, how many have completed their course of training, and how many of those who have completed their course are asking for an extension?—A. I think the statistics are in the last report of the D. S. C. R.

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The CHAIRMAN: We shall get that; we can call Mr. Flexman now, if you like.

By Mr. Wilson:

Q. Is the vocational training not discontinued? I understand that in Saskatchewan, for instance, no vocational training is being carried on now. Do you know Mr. MacNeil?—A. There is some, but the facilities are gradually being done away with.

Mr. PARKINSON: I may explain that vocational training under the Department has lately been curtailed. A year ago we had on the strength 26,000 men. Now the number has been reduced to 2,700. In Saskatchewan training is still being carried on, although the Department has no schools there now. The men are being trained in individual industries or in schools.

The WITNESS: Our point is that the initial expenditure was warranted, and as there are a large number of men who for various reasons are not following the vocation for which they were trained, the work should now be completed and facilities given to those men who are deserving cases, and who have attained some degree of efficiency, to enable them to follow that occupation. It is highly essential.

Mr. NESBITT: That part is all right.

The CHAIRMAN: You had better now come to the employment recommendations.

The WITNESS: We ask:

(1) "That measures be now enacted and suitable organization established in preparation for a serious recurrence of unemployment conditions."

Mr. NESBITT: That is perfectly reasonable.

The WITNESS: We feel, sir, that a responsibility rests on this Committee to make provision for unemployment next winter. It has been deemed very serious in the past winter, and desperate remedies were found necessary. Now is the time to talk frankly about unemployment next winter. It will not be possible to talk as frankly next November as it is now. We found ourselves in the position last winter that we did not dare to state openly what we knew about unemployment because it might spread the fear of unemployment, which is sometimes more dangerous than actual unemployment itself. You have to be an optimist when you are confronted with an immediate unemployment situation. But we feel that with the experience of the past two winters, and with conditions as they now stand, definite provision should be made for unemployment next winter. It is our firm belief that unemployment next winter will be more serious than it has been during the past winter. There is no reason to expect anything else. I have here a chart prepared by the Department of Labour making a comparison between the past few months of this year and the corresponding months of last year. You will note that in the middle of March this year we are very much lower than we were in the middle of March last year,—lower by about 100,000.

By Mr. Nesbitt:

Q. You mean very much higher?—A. Higher in unemployment, lower in employment.

The CHAIRMAN: That is a very striking paragraph.

By Mr. Edwards:

Q. Are you offering any suggestions, Mr. MacNeil, in regard to that matter?—A. Yes, sir. I realize that I am speaking on a question that is of more general interest than one merely relating to returned soldiers. Nevertheless, the percentage of unemployed returned soldiers has been so high, and will continue to be so high, that we feel that this is the proper place to make our representations. We have

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recently wired all our provincial commands for an estimate of returned soldiers at present unemployed in Canada, and the percentage is very high. Alarmingly high. There is no symptom whatever throughout Canada of the usual spring recovery, and our survey, and various other sources of information on the subject, bring us still more alarming information as to the outlook for the summer and especially next winter. We find that relief will even be necessary in midsummer, a condition that has not been experienced in Canada for fifty years. The Bank of Commerce in its monthly Commercial Letter, dated April, 1921, contains the following:—

“The decline in commodity prices and trading on the basis of day-to-day requirements continue without much change as compared with the earlier months of the year, for the contraction in the volume of business, as indicated by a shrinkage in bank clearings and gross railroad earnings, is only partly due to seasonal causes. There is a fairly lively demand for capital and credit and in consequence the rates of interest remain high, but in the majority of cases there is less preparation for industrial expansion and capital outlay than is usual in March and April.

“It is an interesting fact that the great mineral staples, iron, steel and petroleum, together with others of less importance, have declined but slightly in price, and the progress of deflation is therefore uneven. In some industries dullness prevails, while in others—some of which have suffered through sharp declines in prices—there are indications of activity. The markets for cotton, boots and shoes, women’s wear, workmen’s clothing and hosiery are moderately active, while a number of instances plants manufacturing other articles are being operated nearly to capacity limit. In very few cases, however, are large orders being placed covering requirements for a year or more ahead, as price conditions are not yet such as to warrant business being transacted in a normal way.”

From other sources, both in Canada and in the United States, we are getting reports of a similar nature as to the outlook. Taking into consideration the fact that there is no recovery this spring, that the men who were unemployed last winter but who were not in distress have now expended their resources, and may be unemployed next winter, adding to the number in distress; taking into consideration the general industrial outlook and the fact that political and economic conditions are unsettled, that there is no immediate hope of any development of the export trade which affects unemployment, we certainly feel that we are justified in stating before this Committee that the unemployment of last winter will not be a circumstance compared with what will exist next winter, with the actual distress accompanying it.

Q. My question was whether you had any suggestions to offer to meet the situation, or are you simply stating the fact?—A. We have suggestions which I will amplify as I go along. I have here the last statement of the Employment Service of Canada. That is the last report of the week ending March 19, 1921, issued April 12, 1921. This reads as follows:—

“Dominion headquarters of the Employment Service of Canada, Department of Labour, reports that during the week ending March 19, 5,151 firms made employment returns showing that they had contracted their pay-rolls by 2,825 persons, or less than one-half of one per cent, since the preceding week. Taking the volume of employment reported for the week of January 17, 1920, as a base equal to 100, employment for the week of March 19, 1921, stood at 86.6, as compared with 101.2 indicated by the firms making returns for the corresponding week in last year. This would show, therefore, that the employment afforded by the firms reporting for the week under review was about 14.5 points lower than during the week ending March 20, 1920.”

They then proceed to analyze this by provinces and by industries.

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Mr. NESBITT: I think most of the members of the Committee are pretty well aware of the unemployment situation, but, of course, we are glad to get those statistics.

WITNESS: We want to make sure that the situation is fully known; but what we wish to avoid is what happened the last two winters,—that the situation developed without preparation in advance. We say, now is the time to prepare for unemployment next winter. And another point, we do not want any reversion to doles unless it is absolutely necessary. Our experience of the past two winters of the system of doles is most unfortunate. That system of relieving distress accompanying unemployment only adds to the list of unemployables. As a matter of fact, it fosters vagrancy, to put it bluntly and frankly, and the purpose of this first recommendation is that, whether you agree with our suggestions or not, some organization be started now in connection with the sections of the community interested to deal with the unemployment situation which must overtake us next winter, unless there is a great revival. The next paragraph reads:—

“That further steps be taken to devise a sound system of unemployment insurance and that legislation enacting same be introduced at the earliest possible date in order to obviate the distress attendant upon unemployment in the past.”

Unemployment insurance is a big question. We feel fairly certain now from the information which has been conveyed to us, that unemployment insurance has been found practicable in other countries, and that it can be placed in operation in Canada. There is this point to consider about unemployment insurance, that it is rather late now to institute a system of unemployment insurance for next winter. It will take some years. We feel it should be introduced in such a way as to reduce unemployment, and not to be introduced in such a way as to mean what would be virtually an unemployment dole, but a system of unemployment insurance which will tax the workers in times of prosperity and the industries, in such a way as to reorganize labour conditions and reduce unemployment to a minimum.

Mr. NESBITT: It is quite a problem. You know the labour organizations of the United States, headed by Mr. Gompers, have always opposed unemployment insurance.

WITNESS: The Trades and Labour Congress of Canada and other interests are heartily in support of this, and I think if Tom Moore were called he would outline a system of unemployment insurance and give it support. I may mention in passing that the Department of Labour has now prepared a comprehensive report on this subject,—it is not yet given circulation—which does review conditions of the application of unemployment insurance in other countries. In summarizing this report states:—

“It is desirable that provision should be made against unemployment by some form of insurance.”

By Mr. MacNutt:

Q. Would it cover unemployment through strikes?—A. That is a question I am not competent to discuss. It is not usual to do that. Another section in the report reads:—

“Compulsory unemployment insurance is administratively practicable and is now in operation in Great Britain, Italy and Austria.”

Mr. NESBITT: I think you have a bad case in Austria.

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By Mr. Morphy:

Q. What is the date of that statement?—A. This is a report of March 15, 1921. This is an analysis of the situation in all these countries, and it goes on to show the development of unemployment insurance in the United Kingdom, and shows the degree to which it has been successful. Unemployment insurance does not cure unemployment, but we ask that a movement be now inaugurated to remove the distress which we have experienced in the past from unemployment.

Q. You spoke of the principle of doles being objectionable?—A. Yes.

Q. That is promoted idleness?—A. Yes.

Q. How is that?—A. Doles under certain conditions—I am not objecting to the policy of the Government last winter. They were necessary under the circumstances.

Q. I want to ask as to the form of insurance. Would it produce a similar effect to the doles?—A. No. Unemployment insurance is contributed to by the worker himself in times of employment.

Q. By the worker only?—A. And the industry, as well as the State. It is usually a three-way proposition.

Q. You feel that there is no danger of it being abused?—A. It means that the workers who are in employment, the genuine, the industrious chaps, are going to force the drones to get busy. It has that effect.

By Mr. Douglas:

Q. On the other hand you are asking for certain things for returned soldiers, and your plan of unemployment insurance embraces others. You cannot separate the soldier.—A. We do not attempt to. We point to unemployment insurance as being one of the best methods in sight to deal with the unemployment problem. We feel that the unemployment problem of returned soldiers can best be solved by a solution of the general employment problem.

Q. Has the Committee power to deal with a problem like that?—A. The reason I bring it to the Committee is that the greatest percentage of the unemployed in Canada at the present time, owing to circumstances over which we have no immediate control, is the returned soldiers. They are junior and lose their seniority and lose their efficiency, and suffer in many ways, and when it comes to a time of depression they are the first to go, and the further we get away from the war the less sentiment there is in their favour, and unless the returned soldier is fully equipped to compete with the other workmen in times of depression, it is a case of the survival of the fittest.

Mr. DOUGLAS: I would suggest, let Mr. MacNeil run through the unemployment situation as quickly as he can, because that is the main thing I think.

Mr. ANDREWS: There is one phase of it that is pertinent to this inquiry, and it is this: In Winnipeg we found really that a large percentage of the unemployed were men who were slightly disabled, and it was felt, after going into the matter, that this phase of the unemployment question, the injured soldier men who were drawing a small pension, and so on, was really something for the Federal Government to look after, and our Mayor came down to Ottawa and, largely through his work, and the work of the Great War Veterans, the Government did take action along this line, and when the Government had taken up this part of it, we found after all that our unemployment problem in Winnipeg has been settled.

WITNESS: Then No. 3 reads:—

“That the facilities existing in the Employment Service of Canada for the proper distribution of labour be strengthened and that suitable supplementary provision be made for the special employment needs of disabled ex-members of the forces.”

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It does not seem to be generally realized throughout—the benefits of the employment service of Canada. Our Association is interested in them because we have been accorded representation on the Federal Council by the Government. This brings an association such as ours into direct co-operation with all the organized interests in the community—manufacturers, farmers, organized labour, and all such interests. There have been several conferences of that Council, and the value of the employment service of Canada is felt to be so important that we thought, in preparation for any further emergencies in Canada, the facilities should be strengthened; that is, it should be brought up to the most efficient state of organization possible, even if it is necessary to send out field men to do so. This scheme brings the Provincial Governments into co-operation with regard to the distribution of labour. It is highly necessary, if the Government is to retain any control of unemployment, that there should be an efficient centralization of the control of labour. Last winter supplementary provisions for the disabled returned soldiers were made by the S.C.R. Department. I do not know whether any provision has been made for the continuation of the facilities. There does remain however, the necessity of special treatment of the employment needs of disabled men. He cannot apparently find placement in any industry unless he is specially assisted, even though he may be vocationally trained. It is a matter of fitting him into the work, and that special work should be continued. It should not be in our opinion independently conducted from the employment service of Canada; that would not be to the advantage of the returned soldier or to the service.

By Mr. Douglas:

Q. You do not propose in that way to eliminate the service that the provincial commands and the local commands of the G.W.V.A. are carrying forward now?—A. In almost every province they are in direct co-operation with the Employment Service of Canada, and the co-operation is becoming more efficient. In Alberta they have maintained very efficient employment facilities, but there has been the standardization of effort and the co-ordination of records which is so important; that is, any employment opportunity passing through the employment bureau—that is the Employment Bureau of the Employment Service of Canada—has been earmarked for the disabled man, and reference has been made to the supplementary bureaus.

Q. Do you say that the condition that applies to Alberta does not apply all through Canada?—A. No, Alberta is the only province where our Association has this co-operation perfected to this extent. We ask for a special handicap section, which really means an employment service in Canada for disabled soldiers so long as their needs require this attention. Then No. 4 reads:—

“That instructions be issued through the Employment Service of Canada that at all times qualified returned soldiers be given preference in employment opportunities.”

That service is a Government institution, and we feel it should carry out the policy expressed by the Government, that where a returned soldier has the proper qualifications he be given preference in the matter of employment.

Q. Does not that come into conflict immediately with the employer, the man who is engaging the employee? You cannot force a man on an employer.—A. No, I realize that. Nevertheless the employer when he makes a demand upon an employment bureau—

Q. An open order?—A. An open order—if a certain number of qualified men are there, all things being equal, the preference should be given to the returned soldier. We ask that by way of compensation, because that man is handicapped in a way the other man is not.

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By the Chairman:

Q. That the same rule should apply here as applies in the Civil Service?—A. Yes. We feel that if instructions were issued from the Employment Service that this policy was to be carried out by men in the Government employ, it would go a long way towards helping the situation.

By Mr. Cooper:

Q. Would you not immediately get into conflict with the Trade Unions.—A. Usually, the organized labour movement has conceded any reasonable requests we have advanced. We only ask this on behalf of men who are properly qualified, and the trade unions have been very friendly to us in that respect.

By Mr. Nesbitt:

Q. Your suggestion is all right, but the ordinary employer will always give the married men a chance.—A. This instruction does not concern the employer. The employer has that right, with which we would not interfere. No. 5 reads:

“That steps be taken to enforce the establishment of Provincial and Local Advisory Councils in conjunction with the Employment Service of Canada as provided for in existing legislation.”

It is already stipulated that these councils should be formed, provincial and local. The Federal Government pays 50 per cent of the cost of maintenance of the Employment Bureau. They pay that 50 per cent upon condition that the Provincial Governments comply with the conditions of the Order in Council or the agreement, and as the establishment of those councils is an essential part of that agreement, and as the Federal Government is paying 50 per cent, we ask that the agreement be lived up to. As the result of our experience last winter we realize the absolute necessity of those councils, particularly when relief measures are required. It has a direct bearing upon the problem of the returned soldier. It means that in each community there are organization of industrial conditions which reduces unemployment to a minimum. This is one of our suggestions. It may not appear to be as important as it really is, but we place great emphasis on this as one of our suggestions to relieve unemployment. It is the first step in organization, and we contend that by the establishment of a businesslike organization dealing with the regularization of employment, and that sort of thing, we would not by any means have the serious problem we have. From our experience last winter, we believe that if steps were taken to bring the manufacturing interests and all the other interests together, it would mean a substantial reduction in unemployment.

The CHAIRMAN: Pass on to No. 6.

WITNESS: We ask:

“That public expenditure on public works and the purchasing of supplies be regulated in such manner as to counterbalance in some degree periodical business depression, and that to this end definite steps be taken to enlist the co-operation of the provincial and municipal governments as well as the large commercial corporations.”

At the conference held last winter with regard to the unemployment situation, this recommendation was made to the Government. It was found in consultation with the purchasing agents of the Government and with the construction engineers of the Government, that work in this regard has been formerly placed in the market without any consideration of unemployment conditions. We are not prepared to advocate a complete programme of public works to relieve unemployment, because we realize that the additional expenditure involved in that way really affects a comparatively

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small number of men. It is not the best way of regulating unemployment. Nevertheless, a certain amount of this work is necessary, and we cannot see why it should not be so planned in advance that it shall commence at a time when there is ordinarily depression in the building trades.

By Mr. Douglas:

Q. Just when may that be? You mention specially the building trades. You surely would not advocate the building of public works in the depth of winter?—A. To the conference last winter came men like Mr. Anglin, the president of the building industries of Canada, and engineers, and they stated that in parts of Canada where the climatic conditions are most severe in the winter time, they could commence building operations. Reference was made to Winnipeg and it was stated that it was easier to excavate there in the winter than at any other time. At least, a commencement of the operations could be made. The excavations and rough work could be done in the winter time even though you might not be able to carry the whole programme to completion. What is more important is the purchase of supplies. It is amazing to think of the sum involved in the purchase of supplies for the Federal Government. In the past, the purchasing has been done without any regard to the condition of the industries concerned. Sometimes you find factories working overtime in the summer to keep pace with the Government orders. They might just as well have their business more uniform the year round instead of having to close down in the winter.

By Hon. Mr. Spinney:

Q. You are aware of the fact that the Government has given favourable consideration to the conditions you have mentioned?—A. Yes, sir, but of course it has to be brought to a better state of organization. There are still several departments who have not entered into the agreement proposed by the Government.

The CHAIRMAN: I think that I may read at this point a telegram which has been addressed to the Committee by the City Clerk of Toronto, in which he urges:—

“That Dominion Government be pressed to forthwith proceed with erection of proposed new Federal Buildings, Customs House, Post Office, etc., in this city. The Board of Control for the City Council join veterans in impressing upon the Government the urgent necessity of proceeding with these and other public works immediately in order to relieve present critical unemployment situation.”

Mr. GREEN: If you want more of these, I can get you several from my constituency.

By Mr. Douglas:

Q. That does not carry out the suggestion of Mr. MacNeil.—A. We are not proposing an artificial stimulation of building by the erection of public works. From time to time, a certain amount of work has to be done every year. The statistics for the past ten years show that there is an enormous sum involved and it affects quite a large number of people. Building affects continuous industries. It stimulates other industries. We ask that the work that is being done, be so regulated that it will either commence or be carried on as much as possible during periods of unemployment. The same applies to purchasing supplies.

By the Chairman:

Q. What is the next recommendation?—A. No. 7 reads:—

“That immigration be so regulated as to prevent any aggravation of unemployment conditions from this source and that steps be taken to prevent irresponsible recruiting of labour in other countries.”

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We are aware that the Government has already placed restrictions on immigration on a recent basis—until employment conditions regain normality. Nevertheless, we feel there is necessity for still further co-ordination between the Immigration Department and the Employment Service. We feel that workers should not be brought to Canada under any circumstances until it is definitely certain that employment is waiting for them. That is a matter of organization. It does not seem to me that it is wise to believe it would put the brakes on immigration too severely when it is needed. The last part of this recommendation is the most important. It is difficult to find out just how it is done, but there is a degree of irresponsibility in the bringing of labour to the United Kingdom particularly. We find it in our midst. We find that foreign workers are being lured to come to Canada under false pretences.

By Mr. Nesbitt:

Q. By us, or by the British Government?—A. By agents.

Hon. Mr. BÉLAND: By commercial agents.

Mr. NESBITT: There are some coming here and there are no places for them, but I do not believe that our Government is engaging in anything of the kind.

Mr. GREEN: I know they are not.

The CHAIRMAN: The various Provincial Governments have their agents and schemes. The Ontario Government is bringing out a number of women and agricultural labourers.

WITNESS: I think there is room for better facilities in selection in the United Kingdom. For instance, they are bringing out domestic servants, and you will find a large percentage of those domestic servants drifting back to the cities and displacing men. I think the Department of Labour has definite information that they are bringing in boys from England to the Western Provinces, promising them wages of from \$16 a month up. That is being objected to by the Immigration officials and by the unemployment officials. Nevertheless, those people are still coming in.

Mr. NESBITT: You must remember that the Western farmer cannot farm profitably at the present rate of wages, and you cannot blame him if he tries to get boys. A boy 15 or 16, if he is bright, can do almost as much as a man, and that brings down the cost of production. The farmer is not going to continue paying \$7 or \$8 a day for men. He is human like the rest of us.

WITNESS: There is no excuse for bringing boys to Canada under false pretences.

Mr. NESBITT: I do not think they are bringing them under false pretences.

Mr. DOUGLAS: If these boys get \$16 a month and their board, there are no false pretences about that. What Mr. Nesbitt says is true; there would be no production if the present rate of wages continued.

Witness: The average rate of pay on a farm is from \$25 to \$30 a month in the West.

Mr. NESBITT: They will soon get the average pay; leave that to them.

Witness: We are not referring so much to farm labour as to the bringing in of artisans and casual labourers.

By Mr. Cooper:

Q. What would be the effect if we put up the bars against the United States and our men wanted to go to the States to get work? Would there not be retaliatory measures?—A. There would be no retaliation if there was proper selection. Surely no country would object to a provision of that kind. There are certain trades and industries no doubt that require workers, and they must go to the United States and

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the United Kingdom for them. They should be admitted, and we are not objecting to that. We are objecting to the introduction of men from the United Kingdom for whom there is now no employment. For instance, they were bringing over miners to Nova Scotia and promising them \$10 a day. We have the names of men, Imperial veterans, and of the agents in the United Kingdom who advised them that those conditions existed in Canada. They were sent over here and now they are out of work and in destitute circumstances, many of them.

By Mr. Nesbitt:

Q. Did you present that to the Immigration Department?—A. Yes.

By Hon. Mr. Bédard:

Q. On general grounds would you be in favour of excluding all immigrants for a certain period?—A. Oh, no, sir. That is a bigger question. We ask only that immigration be regulated with the unemployment problem in mind.

Q. So as to exclude whom?—A. Those for whom no employment exists in Canada.

Q. What classes?—A. We may require farm help and domestic servants, but there are certain trades for which we do not now require skilled artisans.

By Mr. Douglas:

Q. You say that domestic servants are being brought in and that they are drifting to the cities and displacing men?—A. That would not happen if the facilities were extended overseas for the selection of those people. They are building up those facilities now. They have inaugurated a woman's division in the Department of Immigration, and they are sending officials overseas. The same principle applies to workers as well as to domestic servants; there should be rigid selection.

The CHAIRMAN: You get to the root of the matter when you get selection.

By Mr. Morphy:

Q. Is that not all involved in the question of co-operation between the Provincial and Dominion Government with the view of assimilating their policy so as to prevent overlapping; of settling upon a central policy that would meet the conditions you refer to?—A. Largely, and I would also suggest the elimination of the bonusing to agents.

Q. What is your idea as to how this could be brought about? Can this Committee do anything?—A. It has certainly an important bearing on the work of this Committee, that is the question of overseas settlement and the question of the United Kingdom encouraging men to come to Canada for whom we have no room at the present time.

Q. Could you suggest anything other than I have tried to outline that this Committee could recommend?—A. That definite degree of co-operation that you suggest, as well as increased facilities for selection Overseas.

Q. Who selects Overseas now?—A. There is only a limited staff under Col. Obed Smith—a few immigration agents scattered through there.

Mr. MORPHY: It is all involved in the one suggestion.

WITNESS retired.

The Committee adjourned until Monday, April 18, 1921, at 11 a.m.

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HOUSE OF COMMONS,

COMMITTEE ROOM 435,

MONDAY, April 18, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Nesbitt, Savard, Spinney, Turgeon, and White (Victoria)—15.

The CHAIRMAN: We have a letter from Mr. Ballantyne, the minister, which states that there is a small balance to the credit of the Department of Naval Service, produced from the canteen fund of the navy and army, and he asks us to consider the disposition of this amount when we are considering the question of canteen funds.

The CLERK OF THE COMMITTEE: I have a letter from Mr. H. H. Stevens relating to the cases of two blind soldiers, Mr. Knight and Mr. Roden. He says also he would like to appear before the Committee in reference to these two cases.

The CHAIRMAN: That should go to the Committee on Evidence.

The CLERK OF THE COMMITTEE: Then we have a letter from Mr. Cooper relating to two cases which he desires to take up with the Committee along with Capt. Kelly, who will represent the Military Department.

The CHAIRMAN: If we have time this morning we will be glad to hear from Col Cooper with regard to the matter.

Mr. C. GRANT MACNEIL, recalled and examined.

By the Chairman:

Q. We were at No. 8 of the recommendations of the Great War Veterans' Association?—A. I may say, sir, reverting to the discussion which took place when the Committee adjourned on Friday, I have made every effort to state our case in the briefest form possible, and I have not endeavoured to introduce evidence which we might otherwise submit, if the Committee would accept statements which we are basing on observations we have made with regard to the problem. If there is any point you wish to elaborate, or wish us to furnish further evidence upon I would be glad to do so.

Q. You might explain on what evidence you base your statement that of 250,000 returned men to whom the various forms of re-establishment do not apply, 50,000 are as yet not re-established?—A. That is based on the experience of various branches throughout Canada—figures submitted through the officials of our various provincial commands. It is an estimate.

Q. It is far in excess of the actual unemployed. I understood you were to give figures of unemployment as you had them. I asked you earlier in the examination whether you were going to introduce that. I just wanted to understand what that estimate was based on. It came as a shock to me that there was so large a number of returned men who could not be classed as re-established.—A. A man not re-established is not necessarily registered as unemployed. We found, as a result of our experience last winter—and last winter was a tough and very severe test for the

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re-establishment of these men—that many men formerly regarded as re-established, with comfortable homes, generally regarded as in comfortable circumstances, were absolutely, at certain stages last winter, without a crust of bread in the house. They had not regained their footing at all in civilian life. With regard to fifty per cent of these men, their economic status was not secure, they were peculiarly at the mercy of any commercial depression that might strike the country, and doubly handicapped, as it were.

By Mr. Nesbitt:

Q. Could we take it for granted that you knew they were not permanently satisfactorily re-established? Would that cover it?—A. As we survey the situation through our branches, we find, as we come in contact with our members, they are divided into many different classes. We find the married man who left to go overseas, with his home partly paid for, and a little balance in the bank, comes back, and even though he may secure an employment, the men who were formerly junior to him are senior now. His present salary is not at all commensurate with living conditions. He is unable to lift the encumbrances now on his home, and his bank balance has been expended, and his employment may be uncertain, and he is just hovering around the existence level. Then there is a large number of young men whose education or industrial apprenticeship was interrupted by enlistment. They, too, are men without any proper vocation. They are drifting from casual employment to casual employment. We find that a tremendously large percentage of these men, wherever you get them together, are in very poor circumstances, not reaching the proper standard of productivity at all.

By the Chairman:

Q. You say that this is an estimate. Have you got actual figures of unemployment for the Committee? We have only figures, as I remember it, from Toronto and Montreal.—A. A recent telegram was sent to our provincial commands to ascertain the number of men actually registered with them as unemployed. The most accurate and conservative estimate possible—of course registration only occurs in the larger cities—was between 25,000 and 30,000 of the returned soldiers registered as unemployed. It has been the experience of our branches and the various employment bureaux that not all those who are unemployed register with any employment agency; in fact, only about 50 per cent of them. This registration does not yet include men who follow clerical vocations or professional commercial work.

By Mr. Douglas:

Q. Did that statement apply generally throughout Canada? I think I would take exception to that statement as regards Edmonton in the matter of unemployment. That is as far as the membership of the G.W.V.A. is concerned. I think you will find that the unemployed membership of the G.W.V.A. in Edmonton all registered with the G.W.V.A., and work in conjunction with the Federal Employment Agency.—A. I am speaking of the general situation.

By the Chairman:

Q. Could you indicate to us whether these figures of 25,000 unemployed are confined to certain cities or districts or provinces, or anything to show whether one part of the country is worse than another?—A. Toronto, Winnipeg and Vancouver are the three worse places just now.

Q. We were told there were nearly 6,000 unemployed ex-service men in Toronto. That, I think, is the only figure we got as to the cities.—A. There were about 10,000 in Toronto, the last report.

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Q. I think I am right in saying that Mr. Marsh told us there were about 6,000 ex-service men unemployed.—A. Over and above the actual unemployment, there are men who carried themselves through the past winter with the reserve they had before, who are now, as a result of casual or irregular employment, in serious plight.

Then No. 8 reads:

“That steps to be taken to secure the complete abolition of commercial employment agencies.”

Almost every province in Canada has passed legislation to abolish the private employment commercial agencies. With the exception of two, this legislation has been enforced. Then in the several remaining provinces the activities in these agencies have such a provocative influence on employment activities generally, that we feel that Federal Government, under the authority which it has in the Employment Offices Co-Ordination Act, should see that that portion of the agreement is lived up to. The private Employment Agencies do not treat our men fairly, and their activities prevent the Federal Government making an accurate survey at any time of unemployment conditions.

Then No. 9 reads:

“That the intention of the recommendation, approved by the House of Commons, 1920, as to the status of Civil Servants, who enlisted, be given effect with special regard to promotion; and that, in promotional competitions, the same degree of preference be shown former members of the Forces as in competitions for entrance to the service.”

It was a previous recommendation of the Committee that these civil servants who enlisted for active service should, upon their return, have the full advantages and all the privileges that would have accrued to them had they not gone on active service, in the matter of promotion. This intention is not always given effect to. There is a case which attracted widespread interest that I might bring up by way of illustration,—the case of promotions in the Dominion Observatory. Several of the assistant astronomers enlisted and went Overseas and served in France for three years. During their absence a man who was not a native born Canadian was granted the appointment of assistant astronomer. When the returned soldier members of the staff came back they were given their pay and their status was adjusted, and they were all placed on the same level of assistant astronomers. A vacancy occurred as astronomer and the Director of the Observatory recommended the promotion of a man who was appointed during the absence of the other members of the staff Overseas. Although under the Civil Service Act a returned soldier applying originally for a position in the service is given a certain degree of preference, provided he is qualified, this provision of the Act does not apply to promotion. Although a protest was made that the applicants for this appointment were penalized because of their absence Overseas, the recommendation of the Director of the Observatory had to stand under the Act, and there was no degree of preference shown. The man who was not a Canadian, not a returned soldier, secured the position, although he did so largely on the experience gained by him during the absence of the other members Overseas. That experience was repeated here and there throughout the Service, and we have been requested to ask that the former recommendation of the Committee be given effect to, in such a degree as to give this preference to the returned soldier in the matter of promotion. That is simply to avoid any penalty being inflicted upon them.

By the Chairman:

Q. Did our recommendation specifically cover the point in regard to promotion?
—A. No, sir.

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By Mr. Cooper:

Q. In this specific case, is this man an alien?—A. Belgian.

Q. I understand nobody can hold appointment unless he is naturalized.—A. He was granted appointment under special permission.

The CHAIRMAN: This point has been brought to my attention by communications from members and others, and apparently it is quite a live question with the ex-service men. I have received a rather striking statement of what has happened in one branch of the service with regard to promotions, and later on I may be able to submit it to the Committee. I am very glad that Mr. MacNeil has brought the matter to our attention.

WITNESS: No. 10 is as follows:—

“That as far as possible an effort be made to provide for the absorption of returned soldiers released upon the cessation of temporary work in the Civil Service, in positions of similar classification in other branches of the service.”

This is submitted with the object of reducing the labour turn-over in the Government service. It is believed that if a man has been employed and trained by the Government for a year or two, provision should be made for his absorption in the vacancies that arise in other departments rather than by releasing those men and employing men who have not had the same experience.

By Mr. Nesbitt:

Q. That is only if positions are open?—A. Yes sir. Reverting for a moment to No. 9, this is of particular importance in the interests of returned men employed in the Civil Service for this reason, that more and more the system of promotion is given application. There are now many positions advertised as vacant in a branch, or in a department, of the Civil Service, and if the applications are to be restricted to members who are already in the Civil Service, and if it is the intention of the Government to continue the preferential provision for returned men in order to deal with this phase of the unemployment problem, it will be necessary to make some amending enactment.

By Mr. Douglas:

Q. Do you go so far as to say that promotion should be made only within the service?—A. It is sometimes the practice to restrict promotions to the service.

Q. Would you make that a general rule?—A. I am not making any recommendation on that point at all. I was simply referring to the practice now followed. There have been several times lately when, in connection with new positions, applications were not invited from the public, and only members of the Civil Service could apply.

The Chairman:

We come now to No. 11.

WITNESS: (READS)

“That an adequate appropriation be made to provide for whatever emergency relief may be found necessary, until employment conditions regain normality.”

In our second clause we advocated unemployment insurance. It will not be possible, however, to devise a system of unemployment insurance that will be operative next winter. We are facing a distinct crisis next winter; that is very apparent, and we ask now, frankly, that some provision be made for whatever relief may be necessary. Last winter a situation developed which rendered it necessary for the Government to provide a fund by Governor-General's warrant, a procedure which every Government

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is reluctant to follow. We ask that an appropriation, if considered necessary,—and we think it will be necessary,—be made now, taking into account, of course, the fact that if work can be provided we prefer work to relief; but if relief is necessary, we ask that provision be made early enough, and that the relief organization be conducted in such a way as to prevent pauperization. To prevent pauperization in relief measures, it is necessary to supplement relief activities with facilities to provide work. It is the only efficient way to conduct such an organization. We believe that the local committees in charge of relief should be of the same, or largely the same, personnel as that which forms the local Advisory Boards of the Employment Service of Canada. There must be absolute co-ordination of work to eliminate the possibility of any criminal abuse of the provision.

By the Chairman:

Q. What has been the experience of your Association with regard to relief as operated by the D.S.C.R.? That was altogether apart from this emergency relief, was it not?—A. Yes sir. Our experience was that it saved many thousands of lives. Thousands of men would have absolutely starved if they had not been provided for. Cash was not actually distributed; the relief was in the form of provisions or supplies, a purchasing credit being given for the necessary commodities. Of course, they were complaints that this relief did not extend to men who were not disabled, who were out of employment. There were also complaints arising from the impossibility of adjusting the measure of relief to meet the circumstances of various individuals; that is, it was so limited in its scope that such complaints were to be expected.

Q. We are being pressed to recommend that the unmarried disabled men who were struck off that special form of relief by the first Committee should be returned to it. Have you anything to say on that point?—A. Yes, sir, I believe that it is necessary because no work has yet been provided for those single men. They must live. If there were any signs of the usual spring recovery, which was evidently expected when that provision was made, we would have nothing to say in regard to the question. But they are out of work, and we are besieged daily with requests for relief on behalf of that class of men.

Q. There were two types of relief; one, which, as I understand it, was contributed equally by the Dominion and Provincial Governments and by the municipalities, and the other under the D.S.C.R. by means of orders for food, fuel, and so on. Have you any preference to express in regard to these?—A. My personal opinion in regard to general relief measures is that a cash distribution is best, provided there are certain restrictions against abuse. It is impossible for any department to so administer so large a fund that they can issue provisions in a way best suited to the needs of each family.

Mr. NESBITT: The municipalities have the control as to who should get relief, and so far as we were concerned, it was not distributed in cash; it was distributed in the way of supplies by an order of the Committee acting for the municipal authorities.

Mr. COOPER: We were able to work out a scheme whereby a man had to do a certain amount of work per week in order to obtain relief. They were pleased to have the work, and eventually it was placed on a cash basis and not on a provision basis.

The CHAIRMAN: I have not the knowledge of some of you gentlemen in that matter because we did not adopt the measure at all in our locality. We adopted another system similar to the one spoken of under which the municipality provided work throughout the winter for a certain number of men.

Mr. NESBITT: So did other municipalities, but anything they got was in the form of supplies.

The CHAIRMAN: In the large cities, the other method was adopted, but whether the relief was in the form of cash or provisions, I do not know.

WITNESS: I do not think there was any cash distribution.

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By the Chairman:

Q. We now come to the resolution relating to credits, housing, etc.—A. Under the heading of Credits, Housing, Educational, and Industrial, the resolution reads:—

“That in broader application of the principle underlying agricultural Soldier Settlement, credit facilities be established for ex-service men enabling the legitimate promotion of (a) Housing, (b) Education, (c) Industrial enterprise;

2. That to facilitate the operation of the proposed credit scheme, the co-operation of the banking interests be enlisted.”

This, sir, we regard as the very best measure to relieve unemployment. We are not anxious to revert to the dole. Something like \$6,000,000 was spent in the winter before last, and some \$3,000,000 possibly when the returns are fully made, was spent last winter. The fund for last winter did not include the large sums that were raised by public subscription to deal with unemployment which would bring the expenditure fully up to that of the previous winter. Unless some provision is made to provide men with work, that is, unless there is a remarkable revival of business conditions, it will require not \$6,000,000, but possibly \$10,000,000 or \$20,000,000 next winter to protect large numbers of people from starvation. We believe it is possible to carry out this scheme by the application of business principles that would have the effect of stimulating business conditions, that would provide employment to a sufficient degree to tide us over a very serious crisis in the reconstruction period. With regard to housing, I am aware that this matter has already been discussed in Parliament. We followed the debate with close attention. Housing is regarded everywhere by the returned soldiers as one of the most crying needs. I do not think that I need elaborate that point before this Committee. It is urged not only by our organization, but by almost every other organization throughout Canada, by trade unions, and Rotary Clubs, and by the building industries. I have here a remarkable resolution passed on the subject by the National Joint Conference Board of the Building and Construction Industry in Canada, and I wish to place sections of it on record, as it is of peculiar significance. They resolved:

Proposed New Housing Act, 1921

“1. That the Federal Government float a Loan of Two Hundred and Fifty Million Dollars. (\$250,000,000) to be known as a Housing Loan. The proceeds to be used entirely for the purpose of building homes. Provision to be made so that any one purchasing Housing Loan Bonds could apply them as part payment on a home.

“2. That there shall be established a Federal Housing Board, appointed by the Government. Such Board shall include representation of the workers.

“3. The Federal Housing Board shall have the power to exercise all authority as the agents of the Federal Government, in matters pertaining to the making of a grant through loaning companies for the purpose of building homes. They shall also have power to make investigations and recommendations for the appropriation of money.

“4. That for the successful operation and satisfactory application of the loan, the Federal Housing Board shall make arrangements with existing well-established loan companies in the various centres throughout Canada for the reception of the applications, the placing of mortgages and the repayment of same.

“5. All loans shall be for a period of thirty years or less, and shall not exceed 85 per cent of the value of the house and land, and shall be repayable monthly, both as per principal and interest. (The rate of interest charged to be the lowest possible, similar to that on loans for national roads).

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"6. If necessary, legislation should be enacted to prevent speculation, or any undue measure of exploitation in land, houses or materials.

"7. As the two chief objects of this new Housing Act are:—

First—to provide homes;

Second—to provide work;

regulations should permit a worker to build with his own labour if desired, and also a special effort should be made to encourage owners to build on their own individual lots. Further, the total value of an individual home or dwelling on which a loan is made should not exceed ten thousand dollars (\$10,000) and the construction of duplex houses or three flat properties should also come under this Act."

I submit the findings of that conference as being of great significance coming from men who have specialized in this business and who are representative not only of the employing interests, but also of the workers. I think that their study of the question has been more intensive probably than that of any other group of people with the exception possibly of the experts employed by the Government.

By Mr. Douglas:

Q. Where was that conference held?—A. In Montreal last spring.

By Mr. Green:

Q. Did you say it was a conference of builders? It is known as the National Joint Conference Board of the Building and Construction Industry in Canada. I quoted this resolution because it was passed by men who are directly interested and because it shows that they are evidently prepared to place the building industry on a normal basis. It is what we have been waiting for for sometime. When building conditions reach normality it will be possible to establish credit and start a housing scheme. I think the finding or agreement reached by the workers and the employing interests in that particular industry demonstrates that this is now possible. The old Housing Act, under which a \$25,000,000 appropriation was voted, has had this effect. (Reads)—

"It is possible now to estimate to some extent the results of national housing in Canada. The amount of the Federal loan actually borrowed by the provinces, up to the end of January was \$14,230,000 and with this money 3,574 houses have been built and the returns show that the building programme of the different provinces covers 1,496 other houses that are expected to be built during the coming season. The sum actually advanced by the provinces to the municipalities amounts to \$11,853,736; the sum allotted, \$18,751,503, while the total sum requested by the municipalities amounts to \$34,322,897.

In the province of Ontario 72 municipalities have taken action and 2,334 houses have been built; in Manitoba 18 municipalities have built 525 houses; in British Columbia 27 municipalities have built 359 houses; in Quebec 11 municipalities have built 263 houses; in Nova Scotia 6 municipalities have built 93 houses, while the returns from the other provinces are not yet to hand."

Mr. A. G. Dalzell, who has had special opportunities for observation as engineering official of the Dominion Housing Branch of the Department of Health sums up the situation in Western Canada, as follows:—

1. "The Federal housing scheme has been a real relief in some cities. By means of it owners of lots have been able to build houses and others have been able to buy lots at reasonable prices and build houses for themselves by means of the long term loan.

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2. The families of soldiers, munition workers and others displaced by war conditions have gradually got away from the larger cities to the country or to the old home town.

3. The shortage of houses led to many large houses being converted into multiple dwellings or used by two or more families; while to some extent relieving the demand for housing accommodation this movement has led to serious congestion and danger to health because of limited sanitary accommodation. One case is quoted where a single family dwelling house has been made to accommodate seven families or groups and the fact that there were five pianos in the house indicates that the middle class people are now crowding together because of the difficulty of securing houses.

4. Office bulidings and hotels that were closed with the abolition of the bar have been converted into apartment houses and in many cases are quite deficient in sanitary accommodation, adequate light and ventilation. In some cities there has been a marked exodus of the foreign population, mainly aliens."

In our organization we are bombarded with requests of this nature,—this is quite typical of the plight of a number of returned soldiers——

"Being an old soldier of 6 years standing, I write to you for a little information. Since my return to Canada, I have had no settled residence just rent here, there, and everywhere. Houses for sale, but not to rent consequently, although I have a home, I have no place to put it, practically speaking. At present am living in a small flat over a butcher's shop with wife and baby, and the prospects of staying there all summer are none too sweet. I want to know if I can obtain a loan of \$300 or \$400 from the Government in anyway to enable me to buy a house. It is just a little start, or a footing I require, to give me a chance of making good and providing a home for the wife. I have worked steady since my return, at a door and sash factory though work is rather slack now.

Could you give me any assistance or advice I should be truly grateful and would do my utmost to return loan as soon as possible."

The need for housing and the demand for housing requires no elaboration. We have had in mind, the total expense involved. We have not advanced any particular scheme because of obvious difficulties. Nevertheless there have been a large number of schemes proposed by brainy men throughout Canada, and which I believe are at the disposal of this Committee. The objection formerly raised by the Committee in regard to any housing scheme for returned soldiers was on account of the aggregate expenditure involved. We are not advocating that the Government should launch on a wholesale housing scheme amounting to five or six hundred million dollars. We believe steps could be taken and a scheme worked out that would have progressive features and we would like to see it worked out progressively in this way. The first class to provide for is a certain limited class of incapacitated men; for instance, men who had some farming experience, by reason of disability unable to return to the farm, who are at a loss to provide themselves with suitable housing accommodation in the city. We believe that, under that section of the Soldiers' Settlement Act referred to in my previous evidence, a small holding and housing proposition might be easily worked out that would solve their housing problem, and at the same time administer to their physical condition. We believe that the next step that should be taken in reference to housing is that of suburban settlement. This has been referred to time and again by several important commissions in Canada—the value of suburban settlement, not only in its relation to unemployment and in its relation to housing conditions, but in its relation to other phases of our industrial problems. Suburban settlement has been experimented with for some time on the European continent and

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has proved a practical measure of relief for unemployment. That is, the man who is a casual labourer comes into the centre of the city or town, or wherever he is required to be, and does his work, and in an idle period returns to his small holding in the suburbs, and supplements his income there by raising produce.

We find there is a sufficient demand among our men to justify advancing this proposition. Take a city such as Ottawa, there have been several attempts made by the men themselves to form a co-operative building society and provide themselves with houses. In every instance it is the express wish of these men to provide themselves with houses surrounded by suitable grounds to enable them to do a little gardening and to do a little chicken raising, and that sort of thing, in order to supplement their income in that way. We think our transportation facilities are organized to a degree that warrants suburban settlement. We believe the speculative features of land holdings in the suburbs have now largely disappeared, at least to a degree that would enable promotion of the housing problem,—a suburban settlement would have the effect of taking the men back to the land, instead of having the serious congestion in our cities which is now such a problem. We would also like this Committee to consider the question with regard to housing and the question of security in regard to housing, and the advantages in a co-operative housing scheme. There are several such schemes that have been commenced in Great Britain, and have been found, I believe, to be fairly safe, and which have made the joint security reasonably safe.

The advantage of co-operative schemes in Canada would be that the men themselves who are artisans and who enter into the schemes would be able to contribute very largely to their success by their own labour. That has been characteristic of all the schemes which have been worked out on the initiative of these people themselves wherever they have been worked out. We suggest that the banking industry be consulted in this regard, and personally I have met prominent men in banking circles who have discussed these problems with us very sympathetically, and many of them realize the necessity of some such measure, and it is felt that as co-operation in the matter of rural credits in Western Canada has been achieved, at least to a degree, the same proposition could be arranged with regard to housing loans on a business-like basis. I think they do claim that it can be placed on a business-like basis, and the proper security provided. Referring to the work in other countries, the devastated areas have been restored by action taken in a co-operative way, we ask that these loan credits be established for men whose education has been substantially interrupted by enlistment. This, of course, refers to university students. There is still quite a number of these men who do require assistance. They are prepared to place before the Government an organized effort of their own which, if the credit standing was guaranteed by the Government, they would be able to finance themselves through the balance of their educational career. These men are needed in Canada because of their training in national development.

By Mr. Douglas:

Q. In that connection, about how much money would a student require?—A. Their average loan or request was \$400 or \$500 for a term. With regard to industrial enterprise they only ask credit for those enterprises that are immediately productive. We have in mind such industries as the fishing industry. We find the British Government has assisted experienced fishermen successfully. There is a large number of returned soldiers ready to engage in this enterprise. Some of them have successfully done so already on the Pacific coast on their own initiative, and others could do so as well if assisted. There are also groups of men round the Great Lakes who would be prepared to contribute their share to the development of this industry if they were given some measure of assistance.

At present they are only casually employed. With a little assistance they would be producing to the right degree. There are many ways in which the casually

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employed returned soldier could be set to work in this way to stimulate business conditions and assist us in the important problems with which we are confronted. Some of the returned soldiers interested in mining in Nova Scotia,—this is by way of illustration,—and in the distribution of coal, have worked out a very great scheme which I believe has received approval in many quarters,—the process recommended by Mr. Magrath and Mr. Lucas, during the time of the fuel control, for coke conversion: the process had been tried out and found all right, as a matter of fact, is in operation, by many transportation companies at the present time. It is considered that an enterprise of that sort, properly assisted by the Government under expert supervision, would not only provide employment for a large number of men, but would provide some of our provinces with coal of a quality that would obviate the necessity of importing such a large amount of coal from the United States. We know that recent statistics show the imports of coal from the United States run around eighty million dollars worth; if we could get our own coal, several birds would be killed with the one stone. The process has been found practicable, and it is already in operation. It is not a hare-brained scheme. I mentioned it to show that not only established industries could yield to national development, but that other industries that should be encouraged, would be commenced and sponsored to the advantage of everybody. We refer to the Soldiers' Settlement Act in the recommendation because we believe the principle of colonization which has been carried out in the application of the Soldiers' Settlement Act could be given application to these other schemes. While the Soldiers' Settlement Act provided opportunities for some 40,000 returned soldiers, it should not be overlooked that it has colonized a large part of the country which probably otherwise would not have been settled upon. The statistics of the Soldiers' Settlement Board which are before your Committee, show that many thousands of acres have been placed under cultivation over and above the average cultivation. The introduction of a measure such as proposed would also neutralize the complaint that has arisen because of the discriminatory nature of the Soldiers' Settlement Act. It is the common cry of men in the city "While they help the man on the farm, the man who proved he is an expert in agriculture, they are not doing anything for me, and my circumstances are just as serious, and my ability to add to the national production is just as great." These are the chief reasons why we make this statement, and ask for this measure in general terms, although we have many schemes which have been submitted in the Association, having in mind the development of this suggestion.

We place this before the Committee and urge that it is one of the most important suggestions that have been made. It has a most important bearing on the unemployment problem at the present time.

The CHAIRMAN: I am sure that the Committee recognizes the importance of the suggestion. It is one that gave us a great deal of concern last session. We discussed it from various angles at great length. I do not know whether it is the wish of the Committee to have Mr. MacNeil go into it in further detail. After all, as he himself says, it is submitted in a general way, and it is quite impossible for this Committee to make a broad recommendation. We have got to get down to details, and find out whether such a plan is workable, and if so, on what lines. Does the Committee wish to go further into that or shall we take it up later and see what further evidence may be called?

Mr. NESBITT: When we go into it and see where our troubles are likely to arise, we can call evidence with reference to it, if necessary.

The CHAIRMAN: If that is the view of the Committee, we will pass on to the next item, which relates to the War Service Gratuity.

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WITNESS: Under the heading of "War Service Gratuity," we ask:—

"1. That former members of the Allied forces, domiciled in Canada prior to August 4, 1914, and who are now domiciled in Canada, be placed on an equal footing with the former members of the forces in all matters of pensions, gratuities, and re-establishment privileges."

This recommendation speaks for itself. It has been before the Committee before. We believe that although the number that would be affected by the enactment of this adjustment would be few, the circumstances are sufficiently pressing to warrant its advocacy again.

By Mr. Douglas:

Q. Have you any idea as to the number?—A. I have no accurate estimate, although we could get the figures more accurately than we gave them before. I did not bring any statistics with me.

The CHAIRMAN: We have had brought to the attention of the Committee the case of the Poles in Canada who enlisted in Polish battalions and went overseas, some of whom have only returned to Canada this year, and who during their service received practically no pay at all. I am told that their rate of pay was 5 cents a day. They are now urging that they be put on the same footing as Canadians not only in regard to pensions, gratuities, and re-establishment, but also in regard to pay.

Mr. DOUGLAS: This recommendation of Mr. McNeil would take those in.

The CHAIRMAN: I take it that they would come under that description.

Mr. DOUGLAS: There are quite a number of those men, if I remember correctly.

The CHAIRMAN: Roughly speaking, the Poles number about 1,000. Now we will pass on to No. 2.

WITNESS: (Reads)

"2. That the period during which applications may be received for the supplementary gratuity for former members of the Imperial forces, previously domiciled in Canada, be extended until March 31, 1922."

The previous Committees authorized the issue of a supplementary gratuity and recommended that the period during which applications might be received for this gratuity be extended to the 31st March of this year. There are still a few men entitled to benefit under this measure whose applications were received by the Militia Department too late to be considered under the terms of the Order in Council, and we believe there are still a few to be heard from. We simply request that the period be extended until March 31, 1922.

By the Chairman:

Q. Who is the officer in charge?—A. Mr. Cox.

The CHAIRMAN: Now come to No. 3.

WITNESS: (Reads)

"3. That the War Service Gratuity be awarded to dependents of deceased members of the forces, equal in amount to that which would have been received by the deceased member of the forces, but for death, and that no deduction therefrom be authorized."

The Committee of a previous session recommended the payment of the dependents' portion of the War Service Gratuity to the dependents of those who had fallen on active service. The effect of the application of that Order-in-Council was that the maximum award was \$180 for those who had been overseas, and I think \$90 for those who had not served outside of Canada.

[Mr. C. G. MacNeil.]

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By Mr. Cooper:

Q. That is according to rank?—A. Yes, sir.

Q. You are basing it on the private?—A. I am speaking of the dependents' portion. I think rank did affect it.

Q. But you are basing it on the private?—A. I was referring to privates. Deductions were made not only on account of the bonus paid on pensions, but also on account of previous over-payments of the separation allowance. It was used as a medium of adjustment for a number of things. The result is that we have seen payments as low as \$26, and we feel that the recommendations of the Committee had not received the effect intended. Further than that, we feel that the widow of the man who fell on service is justly entitled to it, in the interests of the children particularly.

Mr. NESBITT: She has a pension, has she not, if her husband fell on active service? That is not what we covered in our recommendation; it covered those who died subsequent to discharge.

The CHAIRMAN: No, we covered them all and recommended that the dependents' portion of the gratuity should be paid. The argument now is that if a man returns badly disabled he gets his full gratuity, his dependents get their share of the gratuity, and he gets a pension for the rest of his life; whereas the widow gets merely her share of the gratuity and a pension.

WITNESS: That is exactly the argument.

The CHAIRMAN: Now we have come to the end of the G.W.V.A. recommendations, and the suggestion was that we should hear from the Department of Soldiers' Civil Re-establishment. Are they prepared to go on now and discuss those recommendations?

Mr. PARKINSON: Dr. Arnold is out of town to-day, but will be here to-morrow. He is interested in a number of the recommendations, particularly those relating to medical treatment; but if the Committee wishes to proceed with the general recommendations, I am prepared to go on.

The CHAIRMAN: Captain Kelly is also here with reference to certain suggestions made by Colonel Cooper. If Captain Kelly would come forward we will take up these suggestions.

Captain P. KELLY, called, sworn and examined.

The CHAIRMAN: Perhaps Colonel Cooper will explain the questions which he desired to bring up.

Mr. COOPER: The two matters which I desire to bring before the Committee are, first, the question of gratuity for Canadian doctors who served with the R.A.M.C., and secondly the question of working pay that has been refused or deducted for various reasons from the men of the Canadian Overseas Railway Construction Corps. During the last couple of years I have taken up a great number of cases in connection with the latter matter, and I have had a great number of adjustments made. I have been helped in every possible way by the department, but we have now arrived at an impasse. The C.O.R.C.C. was originally organized on March 5, 1915, under Order-in-Council 482. Provision was made thereby for certain ratings which subsequently proved to be entirely inadequate for the work to be carried out. This was recognized, and amending orders were passed, one in 1916, and two in 1917, while a subsequent Order-in-Council, P.C. 453, was passed after the Armistice on 3rd March, 1919, to correct many things that had previously been left out and that could not possibly have been foreseen. I have on my own files the records of some 40 or 50 men who had been denied working pay for various reasons. One reason is that in the case of a man serving

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in the field and receiving a punishment his working pay could, though he was actually employed at the work for which working pay was granted, be discontinued for a period of ninety days, and in some cases even longer. There is absolutely no precedent in the military regulations of the British Army to allow of such a punishment. A commanding officer is limited to giving 28 days punishment with forfeiture of pay, a court-martial can give a more severe sentence, varying, of course, according as the court-martial is Regimental, Field or General. But in no case is such punishment or forfeiture of pay in the discretion of a commanding officer. In the case of the C.O.R.C.S., however, they have allowed discretion to the commanding officer. Such, I claim, is absolutely without precedent. I have a number of cases here of men who have been punished and who lost their working pay for a lengthy period, and who have, at the same time, been continued at the work for which working pay was allowed. There is another class of case, the case of men who were taken on the special technical corps from other units either in England or in France. The method of obtaining them was through a notice on the regimental notice board, or through regimental orders. Men were asked for to do a certain class of work. In many cases, I understand, the inducement of working pay was not specifically mentioned, but the need was there for special men, and various men volunteered. Of course, we understood in the infantry, that if a man got the chance of a "softer job" he would take it "P.D.Q." That does not cover the point at all. The fact is, that those men transferred on the strength of a notice or an order, and they did work for which working pay was provided, and they have been denied the working pay. The third point is that in the last ruling, under Order-in-Council 453, men who enlisted, in this corps, and for whose employment special working pay was not authorized, have, as in the case of trackmen, to produce evidence from the man who enlisted them that they were enlisted as trackmen in order to get their working pay. Provision was made in the original Order-in-Council for 200 labourers. I think it is fair to say that probably 150 to 175 of those ordinary labourers were employed as trackmen; but because they were not specially enlisted by the official of the C.P.R. or of the other railways as trackmen, they have been denied their working pay. Captain Kelly is here this morning, and will probably endeavour to explain away the arguments I have put before you, and possibly some inconsistencies. I may say that I have received every courtesy from him in this matter. I have taken it up with the Minister of Militia, and he agreed with me that the proper method to pursue now was to put the case of those men before you and see if the Committee could make any recommendation thereon.

The CHAIRMAN: You have only touched item 2. Would you like Captain Kelly to go into that first?

WITNESS: Under the interpretation placed on P.C. 482 of 1915, the Order-in-Council providing working pay for the personnel of the Canadians Overseas Railway Construction Corps, working pay was only paid to such men during the actual period they were employed in the capacity for which working pay is provided, and that interpretation was followed Overseas by the Department of the Paymaster General. After the return to Canada certain men represented to the Department that they had been induced to enlist in the C.O.R.C.C. on a promise of working pay in certain capacities. On receipt of these representations their claims were considered, and it was decided that if any man could satisfy the Department that he had enlisted in a particular capacity for which working pay had been provided in the Order-in-Council mentioned, and at the time of his enlistment he was qualified in the particular capacity in which he claimed to have been enlisted, that working pay would be continued from the date he assumed duties Overseas to the date of final discharge in Canada, unless in the meantime working pay had been forfeited by reason of misconduct or inefficiency in which event working pay would only be restored by the officer commanding the C.O.R.C.C. With regard to men enlisted as labourers, for whom no provision had been made, the officer commanding, within his own discretion,

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paid certain of these men for periods during which they were employed, but the decision given in regard to claims received from these men after their discharge was that as they had not been specially enlisted on a promise of working pay, or in a capacity for which working pay had been provided, their claims could not be favourably considered, and that any pay they received was at the discretion of the commanding officer, and unless they had received working pay they had no further claim. With regard to cases of misconduct, it was decided that where working pay had been forfeited by reason of misconduct, the discontinuance was at the discretion of the commanding officer and he had the right to restore any man to working pay, subsequent to the date at which it had been forfeited, by reason of misconduct, if the commanding officer saw fit, but that otherwise the man's claim could not be favourably considered.

Mr. COOPER: I want to draw attention to the case of one man who was in the army ten months before he got into trouble. His first offence was drunkenness, and his working pay was stopped for ninety days. On the next occasion he went absent without leave, and his working pay was stopped from September 1st, 1916 to April 1917,—seven months,—and from May 6th, 1915, until August 1915, he received no working pay, though he had not been in trouble. That is rather a glaring case of seven months' forfeiture of pay while he was carrying on the work for which working pay was allowed.

The CHAIRMAN: I think the point the witness makes is that under this last Order-in-Council there is power given to reduce or cancel pay temporarily or permanently, for misconduct.

Mr. ARTHURS: Is that retroactive?

Mr. COOPER: Yes, from March 3rd, 1919, after the war. Of course, it was made to help out this case and it penalized others.

WITNESS: Working pay was granted by the Order-in-Council referred to to persons who had not previously received it. With regard to the men transferred Overseas in September 1917, it was decided that no further men would be enlisted specially for the C.O.R.C.C., but that the unit would be reinforced from the Railway Troops Depot in England. There were some ten or twelve battalions of Canadian Railway troops performing in France practically similar work to that of the C.O.R.C.C., and the members of the Canadian Railway Troops Battalion did not get extra pay. It was therefore felt that it would be an injustice to reinforce the C.O.R.C.C. from the Railway Troops Depot and to pay special working pay to these men, and on that ground it was decided that in the case of the man who was transferred to the C.O.R.C.C. Overseas, it would be unfair to grant him working pay as against the personnel of the Canadian Railway Troops Battalion.

By the Chairman:

Q. Just what do you find? What is the inconsistency that Col. Cooper wants remedied?

Mr. COOPER: I think they should pay working pay to the man who was transferred to the C.O.R.C.C., and who performed his duties in a skilled manner, for which working pay had been provided by P.C. 482 of 1915.

The CHAIRMAN: Then let us read P.C. 482.

Mr. COOPER: It will be necessary to read the other two Orders-in-Council with that one, because it provides for a very limited class.

The CHAIRMAN: I am not concerned so much with the class as with the reasons for which this extra pay was granted. P.C. 482 reads:—

“The Committee of the Privy Council have had before them a Report, dated 3rd March, 1915, from the Minister of Militia and Defence, submitting—with
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reference to the organization of a Railroad Construction Corps for Overseas Service, that the officials of the Canadian Pacific Railway Company, who have undertaken to organize this Corps, state that in order to make this undertaking a success, it will be necessary to engage a number of skilled officers and men and that in order to obtain men of this class, it will be necessary to offer them, in addition to the authorized regimental pay, Working Pay varying from 50 cents to \$2.50 a day according to their qualifications and the kind of work they are required to perform.

"The Minister, concurring, recommends that Working Pay be granted to the skilled personnel of this Corps, as shown in the attached schedule.

"The Committee concur in the foregoing and submit the same for approval."

That is the start of the whole matter, and then we get this extraordinary condition, as Capt. Kelly says, that we have this corps receiving extra pay, and the Railway Troops doing similar service at the front and perhaps in quite as bad or worse condition, not receiving that pay. What is going to happen if you give the pay to the men who were transferred and do not grant the extra pay to the Railway Troops?

WITNESS: I want to point out that P.C. 453 provides that "any men enlisted in, or formerly in Railway Units of the Canadian Expeditionary Forces who establish in such manner as the Minister concerned may direct, that they agreed to enlist on the faith of a promise given by some officer who ostensibly had authority to make such promise, that they would receive extra pay in addition to the ordinary rates of pay and allowances."

By Mr. Nesbitt:

Q. Is that for the Railway Men?—A. Yes. The Order-in-Council proceeds:

"and also any officer or man who, in a technical capacity had served, or is serving, in one of the Skilled Railway Operating Companies, viz: the 13th Light Railway Operating Company, 58th Broad Gauge Operating Company, 69th Wagon Erecting Company and 85th Engine Crew Company, may be granted extra pay in accordance with the following conditions:"

Mr. COOPER: That supports my contention that the man who is transferred from one unit to these specific units was transferred on the basis of receiving working pay allowed to men specifically enlisted in these units.

WITNESS: But only in one of the four units enumerated in this Order-in-Council. In so far as the personnel of these four units is concerned, they can be paid if they were employed in a skilled capacity, but not in the C.O.R.C.C.—

By Mr. Nesbitt:

Q. What is that?—A. Canadian Overseas Railway Construction Corps.

The CHAIRMAN: The one mentioned in the first Order-in-Council.

Mr. COOPER: I am only giving the statement to the Committee as it has been given to me, and I am not vouching for the absolute accuracy of it. If these men receive the working pay for the period for which it had been deducted, it would only amount to between \$2,500 and \$3,000, but I should imagine there will be other claims made if this arrangement is recommended. There is no regulation in the army that will permit a deduction of pay by a commanding officer for a longer period than 28 days. This seems to give the commanding officer extraordinary power which no other man outside the C.O.R.C.C. ever had.

The CHAIRMAN: What about these R.A.M.C. cases? I think it is the case of the men who were transferred from the Railway Troops to the C.O.R.C.C., and the case of those men who were deprived of their pay by reason of misconduct.

Mr. COOPER: As to the case of the R.A.M.C., I understand from Col. Regan, who was kind enough to look into the matter and who has now called England for an estimate of these numbers, that there were about 500 Medical Officers concerned, and

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if the gratuity on the Canadian basis is that paid to these Medical Officers it will approximate roughly about a quarter of a million. The point is that at the beginning of the war, and for some year and a half afterwards, there were not sufficient vacancies in the Canadian Medical Corps to absorb all the doctors who were offering their services. The suggestion was made to many of them, and was accepted by them, to join the Royal Army Medical Corps, and serve with them. The original contract made with the R.A.M.C. by the Canadian medical man was for one year, or for such period as his services might be required. But at the end of the year he would be given a gratuity of £60 and his passage back to wherever he came from, or wherever he enlisted, provided that his services had been satisfactory. The pay and allowances of a married captain in the C.A.M.C. was \$2,313.75. The pay of a captain or lieutenant—both are paid the same—in the R.A.M.C. was \$2,213.50 less income tax which they had to pay, or practically the same as the C.A.M.C., the difference being only 25 cents. but whereas the Canadian, serving with the R.A.M.C., received nothing in the shape of a war service gratuity, the man serving with the C.A.M.C. could receive full war service gratuity.

Mr. NESBITT: Not for one year's service.

Mr. COOPER: He was given the gratuity for one year's service. In Order-in-Council 2389, we made certain recommendations as to pay and allowances, but the Department has not been able to make these recommendations operative in the case of the Canadian who was in the R.A.M.C. There is no question at all that certain medical men went over and served for a year, and got back into practice immediately after the year was up. They thought they had "done their bit." But it is equally true that a great many medical men stayed over there for two, three, or four years and more, and when they came back, because they were not in the Canadian service, they apparently did not get consideration because of the fact that they had got the £60.

Mr. NESBITT: Did they get the £60 over and above their pay?

Mr. COOPER: Yes. It practically brought their pay to within 25 cents of the Canadian.

The CHAIRMAN: Your calculation includes the £60 a year?

Mr. COOPER: Yes. In the R.A.M.C. there was no opportunity for promotion for our medical men, but there was in the C.A.M.C. all the time. So that those men were unfairly treated in this regard, also. Furthermore, there were a great many men who served in the C.A.M.C. in Canada who obtained the Canadian War Service Gratuity at the rates laid down, but those men who served in the field could get nothing.

Mr. BRIEN: Did you say that the pay of single men in the C.A.M.C. and the R.A.M.C. was practically the same?

Mr. COOPER: I am basing my calculation on the married captain's pay.

Mr. BRIEN: And you say that they were practically the same?

Mr. COOPER: Within 25 cents for the year, taking off the income tax. The question in my mind, and I think, in the minds of most of the R.A.M.C. officers, is that the £60 a year was not in any sense a war service gratuity. It was a bonus paid to them for a year's faithful conduct in their professional service, and was in no sense for the purpose of helping them to return to civil life, and take up their own vocation. That is all I have to say on that point. I see that Dr. McGibbon is present. He served as a medical man in the Imperial Corps, and he may be able to amplify what I have said in this regard.

Mr. BRIEN: Suppose you take the case of the single man. A great many who went overseas were single men. Suppose you compare the rates for the single men.

Mr. COOPER: There was no separation allowance in the Imperials at all.

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WITNESS: The regulations covering the payment of a gratuity to ex-members of His Majesty's Forces, provide for the payment of the Canadian rate of gratuity, but that from the amount so payable must be deducted any Imperial gratuity, excepting any gratuity or bonus paid on account of wounds, disabilities, or distinguished service. The contract entered into with those officers who served in the R.A.M.C. provided for a flat rate per diem, and at the end of their contract they were paid a bonus of £60 in addition to which they were not paid any war service gratuity. The officers serving in other branches of His Majesty's Forces received a very high gratuity, and it was considered by the department when framing the regulations that the £60 bonus was in the nature of a gratuity for service, and that it should be taken into consideration when computing the rate to be paid from Canadian funds. The regulations were framed and passed accordingly.

By the Chairman:

Q. Do those men get the Canadian gratuity less the bonus?—A. Yes. Their entire service is taken as though they had been in the Canadian service, and their gratuity is computed on the basis of what they would have received if they had been in the Canadian Forces at the time of retirement. From the amount so payable is deducted the £60, and if there is any balance, it is paid from the Canadian funds.

By Mr. Douglas:

Q. The difference in the per diem allowance is not given.—A. The difference in the per diem allowance was higher I think in the case of the Imperial officers. They received 24 shillings a day, which was higher than the pay of the Canadian officers.

By Mr. Cooper:

Q. That is only in the case of a single man?—A. That may be so, taking into consideration the separation allowance.

The CHAIRMAN: Do you wish to take part in this controversy, Dr. McGibbon?

Mr. MCGIBBON: So far as I am concerned, the question has never been raised, and I never heard of one man complaining. We did not go over there for money. We were glad to get there. I applied to the C.A.M.C. a couple of months after war broke out, but was told there were 1,500 men ahead of me, and the only chance I had to get overseas was to join the Imperials. The question of pay did not enter into it at all. We would have gone for nothing just as readily. So far as the gratuity is concerned, I never heard a complaint. I think the regulations are fair as they are.

The CHAIRMAN: Now Mr. Parkinson, will you take up the question of re-establishment and give us the Department's views on some of the resolutions that have been submitted?

Mr. PARKINSON: I am at the disposal of the Committee at any time.

N. F. PARKINSON called, sworn and examined.

The CHAIRMAN: You might just proceed with your statement.

WITNESS: I have prepared for the Committee a statement which consists largely of estimates of the cost of the various proposals submitted and which sets forth the views of the Department in connection with those proposals, together with the effect they would have on similar arrangements that have been made. This morning I will go over one of these statements and read what I have prepared. It will perhaps enable the members of the Committee to frame questions. First, there are the resolutions that were submitted by Mr. Marsh of Toronto when he was here. Perhaps I may be allowed to refer just roughly to the resolutions as they came up, and read to you the matter I have prepared in answer to those resolutions. To some of them as

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presented by Mr. Marsh I have no reference to make at all. The first one dealing with a cash bonus has been considered by the Committee on several occasions. The second resolution was to the effect that free medical treatment be provided for any disability for a period of five years after discharge. (Reads).

"From statistics of industrial clinics and health insurance available, the cost of making this provision effective would be approximately \$12,000,000."

By Mr. Cooper:

Q. For five years?—A. For five years. We have made that estimate very carefully on the basis of health insurance statistics that are available. That is a moderate estimate of what it would cost if that provision were put into effect.

By Mr. Arthurs:

Q. Have you any estimate as to the cost for the first year?—A. I have not got it with me. As I said, unfortunately, Dr. Arnold is out of town, but will be here to-morrow; and if you care to go into this in further detail, I would suggest that he be heard. I have merely a bare estimate here.

By Mr. Cooper:

Q. You do not know what it cost for the first year?—A. It came very close to the estimate we provided. I forget just how many thousands we were out, but the estimate and the cost were very close.

Q. Was it \$3,000,000 or \$4,000,000?—A. I could not say off-hand. (Reads)

"I would point out that the Department's estimate provided herewith is on the assumption that the five-year period dates from the time of discharge of the ex-member of the forces, and that for the period between the time when the one-year provision runs out and this provision goes into effect, the Department is going to be faced with numerous claims for payment of treatment expenses incurred by ex-members of the forces who have become ill and have paid their own expenses in this connection. It is impossible to estimate this cost, but certainly these claims would run into hundreds of thousands of dollars. The Department has already had this experience to a degree, and in many cases ex-members of the forces have claimed that they did not know the one-year provision was in effect and have incurred expenses through private practitioners and outside hospitals. This matter should also receive the serious consideration of your Committee, and if any extension to time for the provision of free treatment is recommended, I would be very glad to have some recommendation as to payment of these back accounts by the Department."

The reason I have made that reference is that it has been very difficult for the Department to take care of those cases of men who have claimed, sometimes justly; we have given very careful consideration to those who have been taken ill and have sometimes incurred enormous bills with practitioners outside the Department and in hospitals not operated by the Department, and not controlled by the Department as to rates. Throughout Canada we have been able to make special rates with practically every hospital for the treatment of ex-soldiers; but if an ex-soldier goes into a hospital without reference to the Department, and simply asks for treatment, his expenses run up without consideration of the rates as contracted for by the Department, the result being that we are confronted by bills based on rates that have no reference to the Department rates, which makes it very difficult to deal with such cases. So that I make special reference to that in dealing with the resolution.

By Mr. Nesbitt:

Q. Then you have some cases within the year?—A. We have had some cases within the year.

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Q. And paid for?—A. There are some cases that have not been paid for, where it was considered there was no justification, or no liability incurred in the Department; but in the great majority of cases we have "faced the music" and paid the bills.

Q. Within the year?—A. Yes.

By Mr. MacNeil:

Q. Does that estimate of \$12,000,000 include hospitalization?—A. It includes such hospitalization as will be considered necessary.

Q. Your estimate amounts to \$2,000,000? Is it safe to assume you consider there would be great need for that sort of aid?—A. I suppose there is always need for free treatment in the country. As far as the need is concerned, I do not think I question that, but as far as the ex-soldier is concerned, I should want something to connect it up. At the present time as far as the service is concerned, it is really impossible to do that beyond the point of saying that when the first recommendation was put in by the Department it was considered by the Medical Officers of the Department, and by those who were in consultation at the time, that any effect of service would certainly become apparent one year after the discharge; and it was considered on making that recommendation that it would cover the requirements as to service. Free treatment in the first place was provided because it was considered the men might be more susceptible to illness in general, on account of lowered resistance.

By the Chairman:

Q. Effected by service?—A. Not directly caused by service, but due to lowered conditions.

By Mr. MacNeil:

Q. Is it not true that recent research has shown that men with minor ailments, such as trench feet, are now succumbing to complications due to that?—A. I am not prepared to discuss that. I am not a medical man myself. There is a technical side to this matter which must be left to Dr. Arnold to testify in regard to.

The next is No. 3, and reads:—

"This is a matter of policy entirely, and I am unable to give any indication of cost of making this provision effective, as it would depend altogether on the type of employment provided and the number of men effected."

The next one is "Provision of Medical Boards for Ex-Service Men Discharged A-1." That is No. 4. Many of these are covered again later, I may say, by resolutions put in, and when I presented the statement in connection with Mr. MacNeil's resolution, some of them have already been covered at this hearing. This paragraph reads:—

"The present arrangements would seem to be very satisfactory, and in general, to work no hardship on the individuals concerned. As far as treatment is concerned, if a man reports sick to the Department and claims his disability is due to war service, the Department makes provision at all times for examination and even for a period of observation in hospital with no expense to the man, if considered necessary. On the other hand, in the matter of pension, as I understand the situation, it would appear that if a man has had no history of illness or disabling condition during his service in the army and has had no illness necessitating treatment after his discharge therefrom, it would be quite reasonable to expect the man to substantiate his claims to pension by having necessary proofs. In addition, I would point out that if in all cases free examination were provided for men making claim for pension, the cost would be very great in view of the large number of additional examinations that would be called for, in most cases I venture to say, without reason. The charge for such examinations made by civilian practitioners is, in the majority of cases, very small, or the examination is given free of charge. Where charge is made and

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the claim of the applicant is substantiated, the fees involved in the first examination are returned."

That has been placed before you. Then No. 5, "Adequate Compensation":

"This is a matter of pension, the cost of which I am unable to estimate."

I make no comment. Then No. 6, "Compensation for Parents who have Lost Sons on Active Service":

"This is also a matter of pension."

I make no comment. Then No 7, "The Provision of Loans (Similar to those Granted in Australia and New Zealand)":

"I have a long statement in this connection which goes into this matter very clearly, submitted to me by the Training Branch of the Department, and which I am attaching to this memorandum as an appendix. I have just this to remark, that I consider the estimate of \$42,500,000, is very conservative as I am of the opinion that more than 15 per cent of the ex-members of the Forces will apply for one of such loans.

"This estimate is based on the provisions made in New Zealand. Information is not available as to the loans granted or expenditures made in Australia."

I will read from the appendix.

The following is an outline of the New Zealand scheme of re-establishment by means of loans to discharged soldiers. The information given herein has been obtained from the official report made by the Director of Repatriation, New Zealand, for the period ended June 20th, 1920:

Business Loan

Amount.—\$1,500.

Purpose.—To enable a man to establish a business or to purchase one.

Terms.—\$250.00 free of interest. Remainder bears interest at 5% per annum.

Persons eligible.—Discharged soldiers, soldiers' widows, nurses, and widowed mothers.

Loans are not granted to applicants who, 1st, are in situations equal to their pre-war positions.

2nd, who are already satisfactorily settled in business.

3rd, who are in a position to finance themselves.

Approval of Loans.—All loans exceeding \$250.00 must be approved by the Ministerial Board, Wellington, New Zealand. Loans up to \$250.00 can be approved by a local Board or Committee.

Repayment of Loan.—The fixing of the rate of repayment is left entirely to the discretion of the local Board or Committee.

Furniture Loan

Amount.—An amount not exceeding \$375.00 free of interest.

Purpose.—For the purchase of household furniture.

Persons Eligible.—1st, married men or men with dependents who are in employment, or who are established in business, or who are subsidized workers, also to soldiers' widows.

Loan for Tools of Trade

Amount.—An amount not exceeding \$250.00 free of interest.

Purpose.—For the purchase of tools of trade, professional instruments, and such other articles of personal equipment necessary to the applicant in the exercise of his calling.

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Expenditure on Loans to June, 1920.

Loan.	Number of cases.	Amount.	Average loan (Approximate).
Business.	4,413	3,865,750 00	\$875 00
Furniture.	7,005	1,351,185 00	191 00
Tools, etc.	849	79,305 00	93 00
Total.	12,267	5,296,240 00	

Repayment to June, 1920

The amount repaid to June, 1920, is \$1,032,925. Collections during the month of June, 1920, amounted to \$167,095.

Estimated cost of Introducing same Provision as New Zealand Scheme in Canada.

The approximate number of men who enlisted in New Zealand Expeditionary Forces was 100,000 and the total number of men who enlisted in Canada from the beginning of the war to November 15th, 1918, was 595,441 or practically six times as many men as enlisted in New Zealand.

Between March, 1919, and June, 1920, approximately 15,000 men in New Zealand applied for one or other of the three classes of loans or 15% of the total enlistment at an average rate of 1,000 applications per month. In June, 1920, the number of applications dealt with continued to be as heavy as almost any of the preceding months, as over 1,000 applications were made in this month.

It can be conservatively estimated that at least 15% of the total Canadian enlistment would make application for one or other of these loans if they were being granted in Canada, so that at least 90,000 applications would be made.

Below is shown an estimate of what the 90,000 loans would amount to divided up between the three classes of loans granted and based on the average amount of each loan actually granted in New Zealand. The sub-division of the three classes of loans is based also on the loans actually granted in New Zealand.

Advisability of Loans in Canada

It would not do for one moment to consider that the success which has apparently been made with loans in New Zealand would be repeated in Canada, and, in making this statement I am not casting any reflections on either Canada or the class of men who enlisted in the C.E.F.

New Zealand is a country with a mild equable climate, where business operations can be carried on all year round and the population outside of the natives is almost exclusively English speaking, with practically no foreign element. It is a country where small one or two men businesses practically predominate, with very few large business organizations. It might quite reasonably be called the most ideal country in the world for the granting of small business loans, and in fact I am given to understand that the Government of New Zealand has had considerable experience in this respect before the war.

In Canada we have a very different state of affairs: 1st, there is the climate with its wide extremes of temperature, secondly the large foreign population which engage in small businesses to the almost total exclusion of the English speaking population of Canada, as far as certain kinds of small businesses are concerned. For example, Chinese restaurants, Chinese laundries, Greek restaurants, Jewish tailors, Italian fruit storekeepers, etc., etc.

It is impossible for the class of men who enlisted in the C.E.F. to compete with foreigners in these small businesses on account of the lower standard of living of the foreigners and hence the lower cost of operating. The retail merchants of any standing in Canada require a large capital to enable them to operate, so that they may successfully meet the requirements of the public the year round. Manufacturers require a large

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capital for the purpose of carrying on at a low cost to enable them to compete with the American made goods. Mining, lumbering, and paper industries all require very large capital to enable them to operate with any amount of success. The farming industry of Canada is taken care of by the Soldier Settlement Board.

The grocery business is a very difficult business to carry on successfully in Canada owing to the standardization of lines and consequently the small margin of profit. The automobile business requires very large capital, and the taxi business has never been much of a success in Canada on account of the wear and tear on the taxis in the winter.

My experience of the \$500 loan granted to men for the purchase of tools and equipment in line with their training, has been that a remarkably small portion of men have sufficient business acumen to enable them to overcome the keen competition in Canada and to make it worth while running their own business. A few men make outstanding successes and there is no doubt that their success is due to their natural ability and that they would make the same success in anything they undertook, even without a loan. In the majority of cases, however, the remuneration from their business has been much less than if they were working for an employer. Further it is my experience that a great number of people work much better for an employer than they do if they are on their own resources.

If a loan such as the New Zealand loan had been in operation in Canada there is no doubt that the proportion of failures would have been exceptionally high owing to the severe business depression through which the country is passing. Bradstreets' figures show that the proportion of business failures in 1921 in both Canada and the United States have been three times as numerous as during 1918, 1919 and 1920.

In connection with the small \$500 loan, of the 1,647 loans approved 128 have been discontinued to date and in a great number of cases the failures have been through no fault of the man himself. These failures would have been considerably higher but for the fact that a number of men receiving loans were granted relief by the department under Order-in-Council P.C. 43.

In conclusion I may say that New Zealand appears to have concentrated her efforts with regard to re-establishment on loans and only about 5,000 men have been granted training on account of disabilities due to service. This action was, apparently, wise on account of their knowledge of conditions in their own country and I consider that it would have been impossible to have followed the same policy in Canada. If we had done so, I am afraid the results would have been disastrous.

Cost of Administration

The cost of administration of a loan scheme is extremely high owing to the necessity for careful investigation of every application. Although only 1,647 loans were granted, over 6,000 applications have had to be investigated and dealt with. Further the cost of obtaining the required legal documents, etc., is very high and the inspection of the man after loan is granted and general administration duties, such as the purchase of suitable equipment, etc., makes the granting of loans extremely expensive.

By Mr. MacNeil:

Q. That does not refer to loans of the nature I have suggested; that is loans on basic industries?—A. This is Mr. Marsh's proposition, based on the scheme followed in New Zealand. I am dealing with his resolution now.

Then resolution No. 8.—“All unemployed veterans to be placed on army pay allowances pending employment.”

Mr. Co. very difficult to give an estimate of cost of this provision. War has been over for two years and I am not clear what is meant by this resolution.

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If it is proposed to place ex-members of the forces on pay and allowance until they receive their first employment, the expense involved would be very small as the great majority have been in employment from two to three times, and the unemployment at the present time is quite general amongst all classes of civilians as well as ex-soldiers. Every one who works for wages or salary is liable to be unemployed for periods of long or short duration at any time. I venture to remark, however, that if this provision were made a recurrent one, there would be a great temptation on the part of a large number to receive army pay and allowances rather than to work."

Then No. 9, "Re-training for minors up to the age of twenty-one years on enlistment."

"It has been estimated from training records of the Department and from demobilization questionnaires, that in addition to the minors already trained who enlisted under the age of 18 years, there will be approximately 72,000 men who will be eligible for training as having enlisted under the age of 21 years. I would point out, however, that this is no better than a guess on the part of the Department, but unfortunately no closer figures are available."

I just point out in connection with the original estimate placed before the Committee as to the training of minors up to the age of eighteen, that the department stated at that time that it was estimated there would be 3,000 and possibly I think the figure of 5,000 was mentioned. As a matter of fact the number of minors we have trained under that provision has been well over 10,000. It was impossible to get any definite figures as to the number of men under eighteen on enlistment, because in many cases they had to falsify their ages, and there was no battalion under eighteen. We knew there was one battalion of men taken out of the forces in France and put into a special battalion in England, of minors. That is the only information available. We took it and multiplied it by three, and it might be multiplied by five as far as that goes. The resolution proceeds:

"It has been further estimated that one-third of this number would take advantage of training provisions that might be made for them, although this is only a guess but based to an extent on the fact that the war being over for some two years it is felt that a large number of men have become permanently established and would not leave their occupations to take advantage of further training."

"Based on the above supposition, the cost of provision of training would be approximately \$24,000,000. This does not include additional capital expenditure that would be necessary in the provision of schools and equipment that have now been closed or disposed of by the department due to the completion of training work previously handled.

Resolution (X) Re-Examination for Vocationally Trained Students who have been unable to obtain employment along the lines for which trained.

I would advise that the department has for some time past adopted the policy of examination into the success or otherwise of vocational graduates. The Vocational Branch has maintained an Employment and After-care Division whose principal function has been to assist vocationally trained students in obtaining suitable employment along the lines for which trained. If it is found that a man is unable to continue in employment along the line for which trained, on account of some subsequent development of his disability, his case is brought to the attention of the Training Division and he is granted a new course of training for some other occupation. If employment is not available along the line for which he is trained, on account of his disability, any student may successfully require

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openings in that particular trade owing to economic conditions, an effort is made to place the man in the most suitable employment available, but a new training course is not granted. The number of second courses that have been granted to date, after a man has already completed one course, is 470. I may state that the Training Division employs Training Inspectors who call on each man in training at least once a month to see what progress they are making, and also to see whether the training they are taking is suitable to their disabilities. The value of this policy is illustrated by the fact that, to date, 7,052 courses have been changed during the time such men were taking their training with the department, on account of the original training granted not being suitable.

Resolution (XI) Free Transportation on all Government Railways for all blinded or other disabled men requiring escorts.

It is difficult to provide information as to the cost of the above provision. However, the following figures are given as a guide:—

To March 31, 1920, there were 106 total disability pensioners; 85 receiving 90 per cent pension and 297 receiving 74 per cent pension.

A fair proportion of the above would possibly require escorts while travelling.

Statistics with respect to the number of blinded ex-soldiers show 189 ex-Canadians as having suffered this disability. All these men are not in receipt of total disability pensions, some having still a degree of sight but have been classified as blind due to the fact that they are unable to engage in occupations requiring sight; in some instances, the disability is progressive to such an extent that they will be without sight in a short time. These figures have been obtained from the training statistics of this department.

I am unable to provide any information as to the amount of travelling these men would do or cost of same.

Resolution (XII)

In presenting his evidence, Mr. Marsh verbally recommended that the classification of orderlies in the Department's hospitals be changed so that they would be in receipt of a salary greater than \$80 per month. In this connection I will provide the following information:

Taking Christie Street Hospital, Toronto, as an example: since this is the hospital spoken of by Mr. Marsh, the supervisor of Orderlies who is head Orderly in this hospital, is paid at the rate of \$1,500 per annum. The assistant supervisor of Orderlies is paid \$1,140 per annum. There are 9 first-class trained hospital Orderlies receiving \$90 per month; 11 first-class trained hospital Orderlies receiving \$85 per month; and 42 second-class trained hospital Orderlies receiving \$80 per month.

Certain classes of help are not classified by the Civil Service Commission, but receive the rate of pay prevalent in the district for similar help employed commercially or in other institutions. Medical Orderlies come within this classification and the rate paid at Christie Street Hospital, Toronto, is similar to or slightly greater than the rates paid to similar help employed in civilian and private hospitals in the city of Toronto and district."

That covers the resolutions, and if there are any questions I would be glad to answer them.

Mr. CORR: It is 1 o'clock, and we had better adjourn.

The Committee adjourned until Tuesday, April 19, at 11 a.m.

[Mr. N. F. Parkinson.]

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COMMITTEE ROOM 435,

HOUSE OF COMMONS,

TUESDAY, April 19, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of returned soldiers met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other members present—Messrs. Arthurs, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Edwards, Green, McGregor, MacNutt, Nesbitt, Power, Spinney, Turgeon, White (Victoria), Wilson (Saskatoon)—17.

The CHAIRMAN: Mr. McMurray of Winnipeg desires me to explain to the Committee that when he was here on the question of pay to the employees of the Grand Trunk Pacific he was mis-informed on one point. He made the statement that no application had been made to the Government on this score or that it had been refused. He learns now that application had been made to the Deputy Minister of Railways and had been refused by him. He presumed the matter was taken up in routine fashion, and perhaps not gone into as carefully as it should have been. Mr. Stevens, the member for Vancouver, desires to address the Committee for a few moments on the cases of two blinded soldiers.

Mr. STEVENS: Mr. Chairman, I shall be very brief. The matter, I may say, has two aspects. It presents two cases which I think will illustrate the need of some consideration for greater elasticity in the regulations in regard to re-establishment. These two cases I shall present to you in a few words. The first is that of Mr. Roden, who was blinded by the explosion of a shell in 1916. The case is set forth by Brigadier-General Clark, as well as by Roden himself, and I shall just touch on the salient facts. The records are here and give more details. Roden received education for a period of two years at St. Dunstons, and qualified with honours. He is now entitled to do business under certificates as a medical masseur, a medical gymnast, and a medical electrician. He is highly qualified. He is prepared to go on with his business and become not only self-sustaining, but quite a useful member of society. His occupation is one which undoubtedly will take his mind off his affliction, which I think we all agree is a very serious one. This is the position in which he finds himself: he cannot afford to secure for himself a house or an office in which to carry on his business as he is qualified to do by the very generous and efficient education given to him by the Government. He is asking that he should be granted a loan for the purpose of securing a house in which to practice his profession. Here is a point which I would submit specially to the consideration of the committee: He has a very valuable equipment which was given to him free at St. Dunstons, and yet he is unable to use that equipment for lack of a proper place to carry on his business. He himself makes the request that he be assisted to purchase a house outright, and be allowed to repay it on easy terms. He is not asking to be given this, but to be assisted in the purchase, and then he will repay out of his business returns. That is the first case. The second is very similar. It is that of Mr. A. C. Knight, which case was brought to my attention by J. Douglas Wilson, loans officer. Mr. Wilson was the loans officer under the Soldiers' housing scheme. I understand that the funds under that scheme have been exhausted, but in any case Mr. Wilson found himself unable to grant a loan to this man under the Loans Act. He is asking for a similar privilege. "Some arrangement could be arrived at," he says, "whereby I could get a loan by insuring myself under the Soldiers' Insurance scheme to the amount advanced," and so forth. What I wish to bring to the attention of the Committee is this: Parliament did make provision for loans to soldiers for housing. Parliament has made some provision under the Soldier Settlement Act.

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The CHAIRMAN: Was that not a provision of all citizens? I mean the housing provision?

Mr. STEVENS: Yes, but it was largely in the interests of the returned men. What I am driving at is that we recognize the desirability of the system in that regard; we recognize the principle. But the loan arrangement made it impossible for those men to take advantage of it, and under the S. C. R. regulations there is not the means by which they can assist those men. What I would suggest to the committee is this: that perhaps as well as other citizens, the committee might find some way whereby they could co-operate with either Soldier Settlement Board, or with some such scheme as the housing scheme in order to meet special cases of this kind. One other point I wish to make is this: Personally I have had considerable experience with the men connected with the S. C. R., both with the men and with the officers. In the main I think the S. C. R. has done very excellent work, but I do find that the regulations are necessarily somewhat rigid, and frequently do injustice to individual cases. I have had occasion to discuss this vast subject with prominent members of the S. C. R., and they suggested that there might be something—what shall I say?—that there might be a loosening up of the regulations in some sense which would permit consideration of cases such as I have brought to your attention, and provide very material help to men suffering serious disability. That is all I have to say. The cases speak for themselves; they are exceedingly pathetic and yet, it seems to me, very hopeful. That is, these men are qualified, they are ambitious and anxious to get along in business, and they are simply asking for facilities to work out their own livelihood with a very good prospect of being successful with the very excellent training they have received at St. Dunstons. The particulars are on your file, and I will not detain the committee any further.

The CHAIRMAN: I take it that in neither of those cases is the man in a position to put up any deposit towards the cost of a house.

Mr. STEVENS: I think not. I think that whatever money they have they would have to use as working capital for the purpose of building up their business.

The CHAIRMAN: Thank you, Mr. Stevens, for bringing these cases to our attention.

Mr. STEVENS: I thank you for the opportunity of presenting them.

The CHAIRMAN: We have present to-day representatives from the Amputations Association. Four representatives are here, and they would like to be heard simultaneously.

W. S. DOBBS, R. MYERS, A. A. MCPHEE, and A. L. HALL called, sworn and examined.

The CHAIRMAN: Perhaps Mr. Dobbs will proceed first.

Mr. DOBBS: Mr. Chairman and gentlemen of the Committee on Pensions and Re-establishment, in introducing our evidence, I would like to read a resolution which we have prepared.

The CHAIRMAN: You are the President, I understand?

Mr. DOBBS: I am the President of the Amputations Association of the Great War, and we also represent the Amputations Clubs of Saskatchewan, the Amputations Club of British Columbia, the Amputations Case Section of Calgary, the Edmonton Veterans' Amputations Association, and our branch of the Amputations Association of the Great War in Hamilton.

The CHAIRMAN: Under what authority do you act for the others?

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Mr. DOBBS: By correspondence which we can produce. I would like first to read this resolution. (Reads)

"We the delegation representing the Amputations Association of the Great War, the Amputations Club of Saskatchewan, the Amputation Club of British Columbia, the Amputation Case Section of Calgary, the Edmonton Veterans' Amputation Association, and the Hamilton branch of our own Association, do hereby submit the following resolution."

1. a. Whereas from our experience the present rate of pension does not provide proper maintenance for seriously disabled pensioners and their dependents in so far as to combat with the present cost of living, and the conditions under which the pensioners must live, taking firstly into consideration the manner of his disability and its effect.

And whereas we propose to submit certain evidence and argument to establish that the present scale of pension is inadequate, we therefore, urge that the present Pensions Scale be increased to twelve hundred dollars per annum for the totally disabled pensioner.

b. Reclassification of the present scale of percentage of disability for Amputations, based on a fifty per cent minimum award.

c. Multiple disabilities. Extra disability allowances.

d. Special cases.

e. Pension to pensioners dependents upon pensioners decease, and its relation to Insurance.

2. Employment.

3. O. and S. A. Branch, Department of S. C. R.

And whereas be it resolved that the Parliamentary Committee on Pensions and Re-establishment do earnestly consider all evidence to be submitted in connection with the above matters outlined."

Mr. Cronyn has made a suggestion which I think is an excellent one. In introducing this application we have endeavoured to submit to you for actual observation different types of disability. Mr. Myers is a single leg amputation case. We have Mr. Hall, a double arm amputation case, and we have Mr. McPhee, a double leg amputation, both legs above the knee. As the argument proceeds, they will explain different points. Starting with the general argument for the dollar per cent pension, we find we are up against it in various ways. These I will take up under the different headings. (1) Climatic conditions. As you know, in most parts of Canada we have long winters and very hot summers. The winters are very hard on the leg amputations in this way. If the snow gets anywhere over eight inches in depth, the leg amputation finds it very hard to get around. It is impossible in fact. He has to go on crutches. He cannot wear an artificial leg, and even on crutches it is very difficult. Then there is the slippery weather. A man with an artificial leg is up against it. If he starts to slide, he has no control. It goes and throws him. Then there are the hot summers. The leg amputations find them very hard because of the chafing of the stump. It perspires, most of them wear stumps socks in the artificial legs and the stump chafes, and gets very sore and tends to break down. Then there is the question of harness. That has a certain effect. They have to have their harness so tight that it chafes a bit when they are perspiring in the summer. Then all amputations at different times suffer from nerves.

Mr. COOPER: As one who has considerable experience in amputation cases, do you know whether the frost gets into the stump by reason of the very small amount of exercise that the limb gets?

Mr. DOBBS: You mean in very cold weather? We have had one or two cases where a man has suffered from frost-bite in the arms. The frost seems to get in, and wearing

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two or three stump socks does not seem to help that. It is not so much with the leg cases because the exercise in walking is very much greater than the arms get, and the exercise keeps him much warmer.

Mr. MYERS: In connection with leg cases I may say that owing to the cut-off of the circulation there is a very poor circulation, and the stumps are extremely cold. I may cite my own case as a specific case. The stump below the knee is very, very cold, as cold, you might say, as a saucer that is left outside. When you press your hand on the stump it will make marks, the warm hand will make marks on the stump. That is greater in the winter time, whether at any other time I am not really prepared to say, because of the fact that one worries a little more in the winter. Perhaps it is on account of the mentality that one thinks it is worse in the winter time.

Mr. DOBBS: The next question is the question of nerves. Amputations suffer from nerves at different times. The nerves may be growing and the nerve buds seem to get caught in the scar tissue and at times it is very difficult to wear an artificial limb. Personally, I have been very fortunate in that respect. A great many amputations suffer very much. There is what the doctors call a pain in the phantom limb. It is a pain in the amputated limb which resembles a tooth-ache, and you sometimes suffer for two or three days. Then there is the increase in the cost of living for amputation cases. The leg cases are not able to walk any great distance, and as a result of that, they must live close to the lines of transportation. The street railway costs are therefore higher. The next point is inability to do things about the house. If a man buys a house or a property of his own he is unable to keep up the little repairs that are necessary and that a fit man can do. If anything goes wrong, if a shutter or window goes wrong, he is unable to make the repairs and has to get someone to do it for him. That all adds to the cost. There is the question also of removing the ashes.

Mr. MYERS: I wish to amplify the point which Mr. Dobbs has brought forward, as to leg amputation cases having to live near the lines of transportation. It affects our pension indirectly. It is necessary for me to live close to the street car lines so that I can get to my work easily without trouble. Further, it is impossible for me, being somewhat corpulent, to walk any great distance. I tire out. I might be walking fine in the morning, but towards the evening I am real tired out, and I have been practically exhausted at times. That demonstrates the necessity of being near lines of transportation. Of course this has also an effect on the cost of living in this regard; owing to the fact that we cannot walk any distances, if it is necessary for me to call at the Post Office I have to take the car, which means double fares, and there is no provision in any way to overcome that, apart from the fact that we are treated in a general way as general disability cases. We find that this has a great effect upon our pension. Taking my ordinary carfare bill in the city of Toronto, buying car-tickets at \$1 a book, I spend about \$1.50 every week on car tickets alone. Calculating that for a year it runs up to quite a little sum, and when you start to take your pension into consideration and the extra cost necessitated by extra transportation, it reduces the value of the pension.

Mr. MACNEIL: What is the extra cost of wear and tear of clothing?

Mr. DOBBS: I was going to take that up. The wear and tear on clothing is the next point,—wear and tear on trousers due to the rubbing of the controls on the front and back of the thigh and the underside of the knee, also to the side pulleys and with the B. K. cases, the knee joint that sticks out, it wears through the trousers at the knee with a leg amputation, wears out the trousers in one-half the time an ordinary man does.

Mr. MYERS: To further amplify upon that, being directly interested, and representing such cases in our Association, I might say that unless I reinforce my

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trousers sufficiently, that I can go through a pair of trousers—that is the artificial leg, the trouser leg that is affected by the appliance—I can go through a pair of trousers in three weeks; that is to make holes. I had that demonstrated to me recently, inasmuch as I had to buy a pair of trousers, and this comes rather expensive upon a man especially so in office work. It is necessary to have decent clothing, and the result of this is, you go down to your tailor; you get two pairs of trousers with a suit, and if you wish to match your cloth again, the cost comes a little higher, and the result is that we find this affecting our pension a great deal. There ought to be some provision in some way made to cover this extra cost. There has been evidence I believe submitted by Orthopedic consultants at various times that there is no extra wear in trousers; I may be mistaken in that, but I am under that impression, but really that is a very far from what is the case, and we have the demonstration here. We have in Toronto nine hundred amputation cases; we are in constant touch with them, see them every day, and speak to Tom, Dick and Harry, and ask them the questions, and never find a man who will turn around and tell you his clothes are not affected by the wear of the appliance. This comes very much of an expense to us. We feel it. I am pointing it out as it has the effect of tending towards a reduction in the value of the pension as we personally get it.

Mr. DOBBS: The last point I would like to make under that is the harness of both arm and leg cases, particularly leg cases. It is rather hard on shirts and underwear, particularly the underwear, as it wears out in very short order. One other thing is the employment—the fourth point is the unemployment problem. The employment situation presents many difficulties to the amputation cases. The employer's attitude in a good many cases, now that the patriotic enthusiasm has died out, leaves very much to be desired as a general thing, though we have several cases in Toronto where the employers have done and are doing, and I have no doubt will continue to do, the right thing. We have cases of men who were taken for vocational training, who were utilized by the employers as cheap labour. The man was kept as long as he was in training, and when the training was completed he got out. I can give a couple of examples of that if necessary.

By Mr. MacNeil:

Q. What is the extra cost of the diet allowed? Do any members of the association require special diet?—A. Not that I heard of. There is one man who is suffering from—I think it is the result of a stomach wound. He has to have special diet, but as a general thing I do not know very much about it.

Q. What is the extra cost of attendance?—A. That will come later. The employers in many cases give the men wages as exploiting the pension received by the amputation case. I had a message from a certain man in Toronto employed by one of the big underwriting companies. He wanted to employ an amputation case, and the duties he wanted this man to perform would have kept him from early morning till late at night, and he was going to give \$50 a month. It is utterly impossible for a married man with children to exist on that.

By the Chairman:

Q. Do you see many cases of that kind?—A. Not very many. There are comparatively few of them from my experience. There is a widespread prejudice against employing arm amputation cases. The arm amputation is the big problem in our work to-day. The employer does not seem to want to give him a chance. He has an arm off, what can he do? He can do nothing, and in two or three cases where they have given them a chance, the fellows have shown up pretty well.

Mr. MYERS: I might point out that it is necessary further to amplify upon these cases as we found them, and inasmuch as we are trying to stick to the facts and help in every way we possibly can, and if there is any injustice in your opinion at all, to

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remove that injustice. What Mr. Dobbs means by an arm amputation, and its effect with the employer is this: I come in to you; you are a man that employs labour, or probably you may be an agent for a manufacturer—the employer's agent—and I come in, and I reply to an advertisement. The agent looks at me; he is sympathetic right away. There is no man anywhere, I do not care who the man is, that when he sees a man with an artificial limb, or no limb, immediately his heart goes out to him; but, sad to say, very often that is as far as it goes; inasmuch as we are in an age where they consider that efficiency is a thing that counts for so much, we are up against that condition of things, and it has quite a reaction upon us. It is this way: I go in to you, and sit down and immediately you see that I am wearing an artificial limb. It is the visibility, the immediate impression that you have back of your mind right away—that is the prejudice, the natural prejudice that arises—that is, “can this man perform this task?” Then comes another man and I sit down in an anteroom, and another man with all his limbs may be in a worse condition than I am, but outwardly in splendid condition. The employer questions him as to his ability, and he answers directly and makes quite an impression. Take the two men, you have your scales right there, you take the two men, the man with the arm or leg off and the man with all his limbs. There is the question of sympathy of course, but there is the question of dollars and cents too—“Will this man fill the bill as well as that man?” There is a doubt in this case. What are you going to do? You take the able-bodied man, and that is the result of the visible disability which affects us in the matter of employment.

Mr. DOBBS: A large proportion of the amputations have not the initiative nor the ability nor the education to hold more than blind-alley jobs, such as caretaker, watchman or elevator operator. These jobs will be just the same twenty years from now as they are at present. We have certain suggestions to make about employment which will take up a greater space. We find that the attitude of the various trades unions is more or less inimical. They are opposed in a good many cases to taking disabled men for training. They may have their reasons, and perhaps their reasons are good. They do not want to over-crowd their professions, particularly the typographical and the musicians. These are the ones that we have had most trouble with. The officials of the Musicians' Union in Toronto are pastmasters in the art of “passing the buck.” In two particular cases, we have been dealing with them for six weeks without getting satisfactory results. They are promising, very, and they tell us that some time in the future they will do something. Maybe it will be six months more.

The next point is exercise. The amputation case is cut off from a great deal of sport and recreation that he was able to take before, which, as you see, entails an increase in weight, making the disability greater as the years go on. He has limited facilities for recreation. A few cannot even walk any distance at all. They cannot play golf or tennis. A few do, but generally they can not.

Mr. MYERS: There is another point in regard to the limited recreation. A year ago I was discharged—I am citing mine as a typical case, so you will pardon the reference to myself. A year ago I was discharged from a military hospital, the Orthopaedic Hospital in Toronto, which was then under the control of the military. I received my discharge on March 19, 1920. My normal weight was, and there are witnesses here that know it, my normal weight before the war—during the war, except when I was in France, I was somewhat less on account of the training, route marches, and that sort of thing—my normal weight was around 132 to 135 pounds. I am unable now to take any exercise or to partake in any sports though the heart yearns for it. I stand at the corner lots and watch the boys play base-ball and I wish to play with that ball, but that is as far as I can get. I weighed myself this morning and I found that I weighed 175 pounds. In other words, I have increased in weight 40 pounds, and I do not feel as good as I was. I do not feel as fresh, I do not feel as energetic. I notice that I tire out easily. After a day's work it is necessary for me to go home and rest

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for the day. It is very rarely that I do not retire around nine o'clock. That comes through the force of necessity. My resistance is lessening. I have not the opportunity to go in for those different things that the able-bodied man has, and the result is as I have already said. I do not know whether it is physical or what you would term it; nevertheless, it is a fact demonstrated in my own case.

Mr. DOBBS: As amputations are in great measure cut off from sports and the ordinary forms of recreation, it leads to fits of depression and lessens their efficiency and their value in the labour market. The sixth and last point is the future. What does the future offer to the amputation case? As we see it at present, the uncertainty of the future is always present. The present pension scheme offers no certainty and limited security for any man that wants to make provision for himself and his dependents in the years to come. This is one of the reasons why amputation cases are not taking up the Government insurance. They are uncertain; they do not know exactly where they stand in the matter. This closes the general argument, and I will call on Mr. Myers to take up the question of reclassification of the present scale of percentage of disability based on a 50 per cent minimum award.

Mr. MYERS: I would like to deal with the last question that Mr. Dobbs brought up, the question of the uncertainty of the future before going on to the reclassification of the present scale of pensions. That also needs a little further explanation in regard to the effect upon the minds of the men. Any man that has liabilities in the household must regulate his accounts so as to keep himself above water. At the present time, the earning capacity of a pensioner is somewhat reduced. The pension in part makes up for that, but when the pension is of an uncertain nature, it demonstrates that there is an evil—I do not wish to stress the word, inasmuch as we are glad for what we have so far received. But there is an evil in respect to the uncertainty of the future. If I am able, if my mind is set upon having a home for myself and my family, dare I take a chance, and go ahead, oblige myself to certain financial conditions in the future under a bonus scheme. I dare not. My earning capacity is limited. We are from 40 to 90 per cent pensioners and our earning capacity is limited. We are not going to get very much ahead and the sooner we get that out of our minds, probably the more satisfied we will be. Imagination is all right in certain circumstances. It helps us a great deal. But the thing is the uncertainty of the future for us. We do not know whether we dare go ahead and do these things, and the result is we have to let matters lie over, thus we are not achieving what we set out to do. We are urging that, instead of the present system of bonusing, a permanent basis be arrived at for the purpose of pensioning. We think you should take this matter into your consideration and give it every thought. Take into consideration our point of view, the necessity for a permanent pension. We are applying for the \$1 per centum disability rate, or \$1,200 per annum total disability. But whilst we are advocating the necessity of a \$1,200 pension, as already demonstrated by Mr. Dobbs and myself, the first principle is that we must have a permanent pension, and do away with the bonusing. Now we come to the question under the heading "B," the re-classification of the present scale of percentage of disability. I will read from this paper which will enable me to concentrate my mind more upon it. (Reads).

"The Board of Pension Commissioners claim that the effect of a disability to earn a livelihood in the labour market is the measure they use in determining the percentage allotted to that man."

Probably they have very good reasons for that.

"The medical authorities classify a disability as far as amputations are concerned, using the sight of the amputation as the determining factor. For instance, leg amputations have disarticulation at the hip, upper third, middle

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third, lower third, through the knee, below the knee, and the Smyes amputation. Of course, it must be accepted that the Pensions Commissioners when allocating the percentage of disabilities, take the sight of amputation into consideration. We are claiming that the percentage of disability allocated is not sufficient for the loss of limb as at present constituted."

As a further demonstration of that I may say that the minimum award at the present time for a major amputation, that is a man who is amputated from the ankle upwards, and the same with the hands, not the fingers—that is how we figure a major amputation—the minimum award for that is 40 per cent. Now, what we are asking for is that the minimum award for amputations be placed upon a 50 per cent basis of disability.

"We accept the principle by knowledge of the varied effects of an amputation that all amputations shall be based upon a minimum disability of 50 per cent. We have threshed this matter out, and we arrived at the conclusion that when a man loses the lower part of a leg, for instance, that half of the foundation is gone, so to speak. Something has gone that cannot be replaced."

It is as if you were to take away a leg from a table. The loss can never be made up. We realize the value of the limbs as at present used, but they are merely for the purpose of trying to overcome our disabilities, we cannot get anything that will replace what we have lost. We are not asking for that, because we know that uncivilized things have happened to us whilst we were fighting for civilization. We are claiming that there is an absolute necessity for basing the award of pension upon a 50 per cent basis. I have been asked whether we wish a percentage disability like that in Great Britain. We do to a certain extent. In Great Britain it varies. Take the left arm for instance, below the elbow. They are away below our percentage of disability. We are more generous to the arm amputations in that respect. That is so far as the left arm is concerned. In Great Britain they make a distinction between the right and left arm. We do not. Furthermore, in respect to the necessity for reclassifying a man's disability at 50 per cent, I was coming to the measure that the Board of Pension Commissioners use in allocating the percentage of disability. Before coming to that, I want to point out that there are certain things which we wish to show you from our experience. Our experience is that the effect of an amputation varies. I do not believe that the effect from an amputation is the same in two cases, and as long as there is a doubt as to what the effect of an amputation is, then we take the attitude that inasmuch as we are unfortunately placed by our disability, the Board of Pension Commissioners would err also on the side of generosity, so to speak, where there is a doubt—would err on the side of generosity rather than the other way. There is a tremendous necessity for that, gentlemen, you might go ahead and make the pension \$1,200. You might go ahead and make it \$10,000 a year, it does not matter what you want to make it, but the fundamental principle of pension to a man—and you cannot get away from it, whatever argument might be used by anybody else to undermine it—the fundamental principle is, give a man the correct percentage of his disability, give him what he is entitled to in percentage of disability, and then go ahead with your pension as to the amount you want to make it, of course we are advocating \$1,200 per annum. I have a letter here from Secretary Ahern of the Pension Commissioners, in which he states, in answer to the resolution from our association requesting compensation for the wear and tear of clothes and the extra wear of boots, that when the award is made to us granting us a percentage of disability, the question of wear and tear of clothes is taken into consideration, and many other factors, and among those the principal factor seemingly is the man's value in the labour market. What I am going to get at is this—and I think you will immediately grasp it—we do not consider the present method of allocating our disability upon a forty per cent minimum award as being

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the true basis on which they should work; and that is this: If they go ahead and admit in their correspondence with us that they base their scale taking into consideration the wear and tear of clothes, the value in the labour market and other conditions, how do they figure the percentage a man is really disabled, from a medical or surgical point of view? In that case amputations must be based on a very low percentage, and we are demonstrating this as a means of trying to arrive at some solution to make more adequate the percentage of disability at the present time allocated to amputation, and we want for the single amputation a fairer computation of disability, and we wish a fifty per cent disability for below the knee amputation, and up to ninety per cent for disarticulation at the hip. At the present time it is eighty per cent. In connection with that if there is anybody who wishes to ask me a question of any kind in regard to that I am quite ready to answer them and give them all the information available.

The CHAIRMAN: You have not got through more than a sixth of your list, and while we do not want to hurry you unduly, it is a little difficult to see how we are going to get through in the time at our disposal. I do not want to interfere with your programme, but the suggestion is that perhaps Mr. Hall should be heard. Major Power is here and he spoke about this case. I submit the matter to you.

Mr. DOBBS: All right. We can go ahead with Mr. Hall now. In introducing Mr. Hall, I want to say a few things regarding the new appliances. In the main they are very satisfactory as far as my own case is concerned. I am the single arm amputation and am perfectly satisfied with my appliances. I have done as much as I ever expected to do and more in some cases, but we have on the list six double arm amputations, and to date I do not think the Government appliances have enabled them to do what they desired to do, that is to dress and undress and such things.

Mr. HALL: It is impossible to dress yourself with the Government appliances here, and undressing is also impossible. The Government appliances will not allow you to button or unbutton your clothes, or to take off or put on any clothing you want to use, or to lace or unlace your boots, or to take off a collar or tie. In feeding one's self, you are unable with the Government appliances to lift a cup or glass to your mouth or to divide food or get it to your mouth. You get so far (witness demonstrates) and the thing turns over, and you have got it all over yourself instead of getting it in your mouth. Then attending to the ordinary requirements of nature, blowing your nose and so on, the Government appliances will not allow you to do these things, and you have got to get somebody else to do everything for you, and with regard to travelling, a double-arm amputation is helpless, and it is impossible to push through a crowd, and when you get through the crowd and get on a car and stand up, you are unable to take hold of the strap or get your money or ticket out of your pocket, or whatever it may be. You cannot go into a house, it is impossible to open a door, and you have to stay outside, if you are out, until somebody comes. With the Carnes' arm, you can do these things, you can feed and dress yourself, and you have the wrist movement; you can hold a knife, fork or spoon in the hand, and you are able to feed yourself quite well.

By the Chairman: (To Mr. Hall):

Q. Explain to the Committee the Carnes' arm?—A. In the arms which the Government issues to us at the present time it is a solid wrist. You can take up anything so far (indicating), and it falls off, and with the Carnes' arm you have a wrist movement, the wrist rotates, and you can lift it up to your mouth. You have the wrist movement. You can take hold of a cup and lift it up and drink out of it quite well. There is no chance of it falling as long as you hold it.

By Mr. McGregor:

Q. I understand you have tried the arm you speak of?—A. Yes, I tried another man's arm, and I can use it alright; still it was big for me.

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Q. Where are they made?—A. In the States.

Q. What prevents you from having one?—A. At the present time it is Colonel Starr who is holding me up. He seems to be the main man.

Q. Why?—A. His idea is that they are no good. That is all he says.

By the Chairman:

Q. It is a complicated piece of mechanism?—A. Yes.

Q. A fibre arm?—A. A composition arm.

Q. I think you told me how many parts it had.

Mr. DOBBS: Two hundred and eighty-nine.

By Mr. Power (To Mr. Hall):

Q. Do you know anyone else who uses it?—A. Yes, we have a total amputation man in Toronto who uses it.

Q. Who?—A. Mr. Christian.

Q. Have you tried his arm?—A. No, I tried another one.

Q. Have you found you could use it?—A. I found I could do more with it than the arm I have to-day.

Q. What is the price of such an arm?—A. \$250 each.

Q. You are convinced you could do much more with such an arm than you could with the present arm?—A. Yes.

Q. The objection to your having such an arm comes from Col. Starr?—A. Yes.

By Mr. Edwards:

Q. Has Col. Starr both his arms?—A. Yes, he has.

By Mr. Cooper:

Q. What probability is there of it getting out of order?—A. It is like anything else, if you have got an arm and take care of it it will not get out of order, but if you start knocking around it will get out of order. I know a man who was never in the army, and he got an arm, and the only repairs he ever had to it was a new control cord, and he had the control cord four years, and then had to get a new one. With the control cord I have on this one I break one every week.

Q. With a reasonable use of these arms, even though there are a lot of parts, they may last you a long time?—A. A life-time.

By Mr. Wilson:

Q. Can you write with the present arm, and can you write with the other?—A. I can write with this one, and I can write with the Carnes arm, and with this one you can take hold of a pencil and write so far, and the thing slips; the grip won't hold it. You can write with it alright, I have written many letters. I write my own letters with this one, but I want something I can feed myself with. I do not want to write letters all my life, or smoke cigarettes.

By Mr. Power:

Q. What are you studying?—A. Matriculation.

By the Chairman:

Q. You are still under the charge of the D.S.C.R.?—A. Yes.

By Mr. Power:

Q. Do you have any difficulties in your duties on account of the arm?—A. When I go to school I have to have somebody with me in order to turn over the pages and put the pencil and everything in my hand.

Q. Could you get over that difficulty with the Carnes arm?—A. Yes.

Q. You are convinced that with the Carnes arm you could?—A. Yes.

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By Mr. Edwards:

Q. Where is your left amputation?—A. Right here (indicating).

Q. You could not work with it as well as you could your right?—A. No, but I could lift the left one to my mouth with the Carnes arm, whereas the one I got from the Government I cannot get up any further than that (indicating).

By Mr. Power:

Q. It has been urged that the Carnes arms were issued to a certain number of amputation cases?—A. Yes.

Q. And were rejected?—A. Yes.

Q. Would you say anything in reference to that?—A. The only thing, I went over and asked about the rejected ones. I could not see anyone around the factory, but they say they had returned them. There is only one disabled arm amputation who has them, and he is using them all the time. A man with a good arm is not going to start using an artificial arm, if he can get along with his good arm, he is not going to carry the weight.

Q. Is it not a fact that a large number of amputation cases discard the arm altogether?—A. Yes, the single arm amputation discard the arm altogether.

Q. So that the fact that they discard the Carnes arm is not an argument against it any more than against any other?—A. No.

The CHAIRMAN: Are there any more questions?

Mr. WILSON: When did you apply for the Carnes arm?

Mr. HALL: I have been asking for it for eight months now.

The CHAIRMAN: Mr. Dobbs suggests that Mr. Hall's nurse be called.

Miss BARTON: Ever since Hall has had the Government arm he has done his best to feed himself and it is impossible. He has tried to help himself along in every way and has not succeeded. He must be fed three times a day. Everything is done for him. I have seen the Carnes arm, and I have seen men work with it and do things that Hall cannot do.

The CHAIRMAN: Do you know anything about the durability of the arm?

Miss BARTON: All I know is that the control cord is continually at a disadvantage, and is continually going over to the limb factory. He has a new control cord. The Carnes arm is four times the thickness at least, and it lasts three or four years. One man had it for four years. Hall's hand breaks also. It is continually breaking. He loses a lot of time at school by having to go to the factory for repairs to his arms.

Mr. MYERS: There is a point that I wish to add to Hall's evidence. I feel convinced that the Department of Soldiers' Civil Re-establishment takes the view, in regard to their constant refusal to supply the Carnes arm, that it would not be consistent to change their attitude, even upon sympathetic grounds. I want the committee to take these matters into serious consideration. There is possibly a reason, and they may have the heart to supply this boy with something of the kind. They no doubt take the view that if these arms are supplied to young Hall they would be establishing a precedent and that other cases would demand the same. I am taking their point of view in this regard. Of course, I have no confirmation of that. They can answer for themselves if such is not the case. The only Carnes arms that have been supplied by the Government were to single amputations except the case of Christian who is a quadruple amputation case. It is for the committee to determine whether this man shall be supplied with artificial limbs. I am in a somewhat small degree disabled and able to help myself, we are all prepared to put everything behind this man. There are men in our association who are prepared to go ahead and buy arms for this boy. We know what it means to him. We know from the loss of our own limbs what a

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terrible handicap it is for a boy like that, 21 years of age with the span of life to go through. It is a hard thing for us to talk about. You know what it means to him, the effect upon his mind. Give this boy a chance to demonstrate to everybody that he can go ahead and use the arms. I have had occasions these last couple of days to be with him, and it hurts one to have to sit down at a table and feed that boy like a child. He cannot take his cap off. We have to help him in every way. If he wishes to blow his nose, he cannot do it. Are we asking for too much to give this boy a chance? Are we unreasonable? Give him somewhat of a show. There is a matter of principle behind it, and it is ultimately up to this committee, in as much as the Soldiers' Re-establishment Department seem to be finally bent upon it. Surely this committee should try to help this boy even as an experiment.

Mr. DOBBS: We will now take up the multiple disability cases.

Mr. McPHEE: I want to speak of the unfairness of the Pension Commissioners to the multiple cases. A man with a leg off above the knee would be entitled to 60 per cent. If he has another disability, caused say, by a fractured limb which has left him disabled, or even another amputation, he would not get full value for them from the Pension Commissioners. I know, and I think everybody knows that if a man has one disability, an additional disability renders him more helpless and disabled and yet it is not considered so. There are lots of cases of men whose disabilities would entitle them if regarded separately to more than 100 per cent. In many cases they would get 130 per cent. I know a case—Mr. Christian,—who would get about 200 per cent. We ask for an attendant's allowance. I can never count on what I am getting. A man cannot count on the attendant's allowance because it is rated six months at a time. What we say is that the men whose disabilities, properly classified, entitle them to more than 100 per cent, be given that attendant's allowance, and given it permanently,—that it be based on something reasonable. Take the case of Mr. Christian with 200 per cent disability, he should get a proper amount. I wish you would give the matter consideration. I do not know what consideration the Pension Board has given it, but any man will realize that the more disabilities you have they tend to make the initial disability worse. We have many cases of men who really should be entitled to 120 per cent or 130 per cent or even 150 per cent. The most they get is 85 per cent. They consider that if they gave full value for one disability they do not need to give it for the others. They figure that the others are of less importance. Getting around is difficult in the multiple amputation cases. I cannot get up. I have to put my crutches aside, and raise myself with the hand. There is the matter of the issue of wheel chairs. So far, I do not believe there has been any issue of wheel chairs by any department of the Government or by the S.C.R. We have had to depend solely on personal gifts, and on the Soldiers' Comfort Association for the issue of wheel chairs. I think that in a double amputation case wheel chairs are really essential, especially in hot weather. In hot weather you cannot wear your legs or walk very far. We ask that the Government do something to see that a regular issue of wheel chairs is made.

The CHAIRMAN: Do you know what the helplessness allowance—you called it an attendant's allowance,—is rated at?

Mr. McPHEE: I was discharged last June and on the first of April I got from the Pension Board a letter that I was entitled to \$20, that is with \$60 pension. That was for six months. I started my vocational training on the 27th or 28th of September. While I was there I got, under the increased scale, \$110 a month, I think, or around that; that is my pension and \$35 or \$42 attendant's allowance. I got that far through the S. C. R. I finished my course a couple of weeks ago, and I have not got any pension since. I am strongly of the opinion that the Pension Commissioners will consider that a mistake has been made and deduct the attendant's allowance that was paid to me. I think it was due to expire after the 1st of December. I needed the money, and I was not going to bring it to their attention.

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The CHAIRMAN: Do you know what Christian gets in the way of helpless allowance?

Mr. McPHEE: He gets the same, I think.

Mr. DOBBS: \$750 I think.

Major BURGESS: \$750 per annum in addition to the 100 per cent.

The CHAIRMAN: Mr. Dobbs has a special case which he wishes to bring forward. Perhaps it will shorten matters if he can let us have the correspondence. I will undertake to see that it is perused and gone into.

Mr. DOBBS: I would like to turn over this correspondence in these special cases to the committee to be dealt with. The complaints, I may say, are largely from men who live outside this country and who feel that it is a great hardship losing that 30 per cent of the last bonus. That is the burden of their song.

The CHAIRMAN: We have that matter specially before us.

Mr. DOBBS: There is one special case which I would like to refer to. It is that of a man named G. E. Buck. This man has lost a leg, an eye, has a shattered toe and a wound in the hip, and other disabilities. He is in continual pain. He has pains in his head, and we are having an awful time in getting him to toe the mark. He gets very despondent and then he takes to the bottle. However, we have not despaired of him yet. We are hoping to keep him in line. He is one case that I would recommend to the attention of the committee for reconsideration. He is a special case. He has a multiple disability, and he absolutely needs an extra disability allowance, because he has nobody to look after him. The time is coming when it will be necessary for someone to look after him.

Mr. NESBITT: Leave that case with the committee.

Mr. DOBBS: We will finish up the section under pensions. Mr. Myers has something to say.

Mr. MYERS: Owing to the limited time I will have to get through this much quicker than I would like. With regard to the award of pensions to pensioners' dependents, basing it upon the widows' allowance, we will take the headings "E" and "F" together, and their relation to soldiers' insurance. At the present time, there are two very good reasons why disability cases are not taking up the soldiers' insurance. These are (1) the insecurity of the pension. He has got nothing really definite to go upon. That is the first consideration. The second is that in many cases the earning power of the disability case is considerably lessened. In the majority of cases, you will find that the present income of pensioners is just sufficient to keep body and soul together and that all they can do is to take care of themselves. They are really too poor to take out insurance. That suggests to us that idea, and we are making these suggestions. Most of these are simply suggestions, and these suggestions are as follow:—

Pension to Pensioner's widow upon decease, and its relation to Insurance

Disabled men are beginning to realize more so than ever before the question of provision for his dependents upon his decease. They find upon following up their daily vocation, that something will have to be done to make provision for their families. The Soldiers' Insurance Act came along and it looms up very much in this regard. Major Topp, in giving evidence before this committee, made certain suggestions for the purpose of interesting more disabled men to take up the soldiers' insurance. He, no doubt, has excellent reason for the suggestions made, but he fails to tell you the two big reasons why the response to take up this insurance by the disability man, for whom the Soldiers' Insurance Act was primarily enacted, has only been fair.

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Firstly, that there is no settled policy as to what a pension will be, and because of this he is exceedingly cautious as to any outlay he may bind himself to.

Secondly, that in many cases, owing to their disabilities, their present income is sadly decreased compared with what it used to be, and in the majority of cases you will find that their present income is barely sufficient to keep body and soul together, otherwise they are too poor to make provision for the future.

Pensioners having the knowledge that owing to their disability they are unable in the majority of cases to provide for the future needs of their families, tends to discourage any initiative and ambition so essential to enable them to compete in the labour market to bring forth the desired returns that would enable them to provide for the future. It must be further borne in mind that as the pensioner grows older his power of resistance lessens.

As a solution to this state of affairs we would respectfully suggest that some provision be made by the Government to help the pensioner in this regard. Example, the widow of a man with a fifty per cent pension to receive a fifty per cent pension.

I am placing this with the chairman to be gone over at your leisure.

Mr. COOPER: You are suggesting that pension for the widow in the case of a man dying from some cause other than the disability.

Mr. MEYERS: Exactly, inasmuch as we take the view that his power of resistance is lessened and he is not so long for this world.

Mr. DOBBS: I will take up No. 2, "Employment Generally":

(a) Future of amputation cases employed in the Department of Soldiers' Civil Re-establishment."

They have been as long as three or three and a-half or four years, and have done more or less efficient work. They are trained. What is their future? That department is dwindling. It is getting less every day, and the men are becoming more and more superfluous, and where are they going? It seems to me absolutely necessary to put these men where they can be of the greatest service to the State, to put them in some other Government department. We had a conference this morning with some of the officials of the Civil Service Commission. They were very sympathetic, and the arrangement, I think, can be easily mapped out whereby these men can be taken into other Government departments. That applies largely to vocational training with branches outside of the Orthopædic and Surgical Appliances Branch there. In the Orthopædic and Surgical Appliances Branch Major Coulthart is faced with a very difficult situation; and he has to produce efficiency. However, we think things can be arranged there whereby the twenty-six amputation cases which are employed in the Orthopædic and Surgical Appliances Branch can be looked after and can have a future. It surely is unfair that those men who have been trained for two and possibly three years in a very special line of work should be shot out into the cold world without any chance for employment anywhere else because the openings for orthopedic work outside of the Government limb factory are nil. The private manufacturers will absolutely refuse to consider any of the men because of the provision of the Workmen's Compensation Act, in which the civilians coming under the Act are provided for in the O. and S. A. Branch; therefore, we feel more or less concerned in the future of these men, and we would like to see if all these men could be placed so that they will still be an asset to the country. There is no use putting a man like that out into the open and letting him scratch along so many hours off and on. An arrangement has been entered into which is working out excellently in one or two cases between the D.S.C.R. and other Government departments. For example,

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one case I know of, a leg amputation, has been taken into the Department of Weights and Measures, that is under the Department of Trade and Commerce—I believe for completion of training. On completion of training, if qualified, he becomes absorbed by the Department of Weights and Measures and is fixed—he has got a job for life. That is an arrangement that is excellent, only it should have been inaugurated three years ago. It has worked out excellently in regard to this man, Mr. James R. I. Case. He is making good and is going to be a great success and a credit to the department. I am in the employment work in Toronto, and we have on our hands to-day some thirty-six amputation cases. The men as at present situated are failures. They are not re-established. They cannot do anything for themselves. It is due to a great many causes; it is due to their lack of mental ability or initiative, to their lack of foresight, and lack of appreciation of conditions. They did not look to the future, they were having a good time in the hospital, and—“to the dickens with to-morrow.” They are in an unsettled state of mind when they come out and cannot do the work they used to do, and they are at a loss and do not know “where they are.” Certain cases have had the wrong kind of training. Some of the men have been put into clerical positions who were only fitted for industrial positions; not many of these, but a few, and other men are capable of instructions. The attitude of the employer is another factor that enters into this. The men have been put into vocational training and kept on one job where they have not been permitted to learn the different phases of the work. The men have not been absorbed. I referred to that before. They have been kept on vocational training, and on completion have been sent out. Men have been offered low wages on completion of training. I know a case of a man in Toronto where he had been trained with a tailor, and on completion of training he was offered \$10 a week, which does not help very much. Then I have referred to the attitude of the labour unions. These men are a liability. What is to be done to turn them into assets for the state, to make them self-respecting citizens, earning their livelihood, making their own way in the world, and building up homes for themselves and that sort of thing? I think a system of training could be devised. I feel pretty sure I could work out a scheme by which these men could be made really useful citizens. Of course, it is a question of studying each man. Each man would have to be studied specially, and his likes and dislikes, abilities and disabilities, both mentally and physically, taken into account; he could be made to fit in somewhere, because I believe there is a job somewhere that each one of us can do efficiently. The thing is to find the job, and if possible the D.S.C.R. could be prevailed upon to give these men another chance to make good, I am pretty sure they would make good.

Mr. NESBITT: I would suggest that Mr. Dobbs hold a conference with the D.S.C.R. this afternoon.

The CHAIRMAN: I think he probably has already had a conference with them. Some mention was made of the amputation cases in Toronto; I think the number mentioned was nine hundred.

Mr. DOBBS: It is an approximation. There are easily nine hundred. That is more than Toronto's share.

The CHAIRMAN: I understand that is because of the fact that it is the Orthopedic centre at present.

Mr. DOBBS: There are about 3,600 amputation cases.

The CHAIRMAN: It makes the situation more acute in Toronto so far as the re-absorption into industries is concerned.

Mr. DOBBS: In the last four months I have had many men come to me from Halifax, Vancouver, St. John, N.B., Dalhousie, N.B., Calgary and Winnipeg, for jobs. Where a man is trained it is possible sooner or later to get him into something he can do, but the men I amphasize here specially are the men who are completely “out of it.”

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They are trained, they do not know "where they are." The future is very uncertain, and something will have to be done, or we will have them selling boot-laces on the street.

Mr. MACNEILL: Do you know of many men who have been refused employment because of the increased liability under the Workmen's Compensation Act?

Mr. DOBBS: There are three or four cases I know of. One case was in the Parliament Buildings, Toronto, a man named Donald. He performed his work very well.

Mr. NESBITT: Parliament Buildings?

Mr. DOBBS: Legislative Assembly, I should say. He worked four days and did his work very well, but somebody strongly objected to an arm amputation being put on that work and the Workmen's Compensation Act was invoked and he was hustled off.

Mr. NESBITT: The Legislature is not under the Workmen's Compensation Act.

Mr. DOBBS: I took the matter up with the Workmen's Compensation Board, and they claimed there was no reason for dismissing him, but still they refused to take him on again.

Mr. NESBITT: There is something behind the scene. You had better look into it.

Mr. MACNEIL: What percentage of the men have a disability which is recurring at times? That is he can only work three days in the week or fifteen or twenty days in the month?

Mr. DOBBS: This man Buck I spoke about is one case of that kind. Every two or three days he has ringings in his ear and pains in his head, and he cannot stay on a job. There are several cases like that, and we find quite a number of B.K. cases where the flesh seems to recede from the stump, and the wearing of the leg, if they walk too much, forces the bone through and it breaks open. That is a bad condition and it is recurring.

Mr. MACNEIL: What would you suggest to remedy it?

Mr. DOBBS: Some job sitting down, where he does not have to walk round. That applies to those cases five or six inches below the knee, where the flesh recedes much more from the stump.

Mr. MACNEIL: Do you find the rating under the Pension Act provides for an increased disability?

Mr. DOBBS: As far as I can understand it they are all classed the same; four inches and more below the knee they are all in the same class. Is not that so?

Major BURGESS: No, that is not quite correct; the case of an amputation below the knee, the ordinary case receives 40 per cent. If his stump is in such a condition that he cannot wear an artificial limb, or if for any reason at all there is any added trouble, he receives something additional.

Mr. MYERS: That is not always the case. There are many difficulties in that regard, and the man must be taken into consideration. A man does not like the idea of constantly going up to the Pension Board and telling them all his troubles. He knows he has to make certain representations over the counter or by letter. This he is disinclined to do, and because there is so much of that in Toronto, and in the Dominion, of amputation cases, that is why we have suggested to overcome this, an award of 50 per cent disability, the percentage of disability to be based on 50 per cent award.

Mr. MACNEIL: What percentage of the men you have placed are in casual employment—temporary employment?

Mr. DOBBS: There are about fifty, I should judge roughly, in casual employment. The only solution I see to this question is Government employment. Sooner or later the Government will have to look after the most of those men and see that they are

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employed permanently. It is a question of the future. It is a livelihood for them, and the Government's service is the place where they can get a chance to show what efficiency is in them. I may say that the civic authorities of Toronto have been of the greatest assistance to us. They have given us every position available on every possible occasion.

Mr. MACNEIL: What would you say as to compulsory employment in industries?

Mr. MYERS: We have tried to thresh out this matter to help out this Committee from our point of view. We have received from the League of Nations, through the International Bureau of Labour, copies of Acts that are in force in Germany and Austria relating to the compulsory employment of disabled men. On looking over these Acts we found that they are very arbitrary. They do not seem exactly to go down right. At the same time, the principle involved is one that would very much tend towards solving the unemployment situation amongst disabled men. I am talking not only about amputations, but about disabled men in general. The Federal Civil Service Commission would have to take a certain proportion of men. They should receive their per centage. At the same time, we take the view that the Government alone was not fighting this war. This war was fought for everybody in the country, for the manufacturer, for the municipalities, for public bodies; everybody was concerned. In view of that, we make the suggestion—it is an idea that comes from another country, an enemy country if you like—the compulsory employment of disabled men whereby they would be absorbed throughout the country by various manufacturers, municipalities, public bodies, and Government institutions to make them assets to the country instead of, as at present, liabilities. I shall be pleased to leave a copy of the German Act which is translated into English, and can be easily perused. A question which I will also leave with Mr. Cronyn is the question of unemployment insurance for disabled veterans based somewhat along these lines.

Mr. MACNEIL: Have you considered the question of organizing a corps of commissionaires?

Mr. MYERS: Yes, we have considered that. We have based that more or less on the idea of what Germany is doing. We would like to see in this country representatives of the soldiers' organizations forming Committee's, in the first place, in different districts where the present D.S.C.R. units are operating, committees consisting for instance of representatives of the soldiers' organizations—the D.S.C.R. which is primarily interested, Boards of Trade, and all the various sections that would be necessary. These committees would be able to deal with these matters and could be given certain powers to exempt certain manufacturers who could produce evidence that they could not absorb disabled men, so that there would be a square deal to all concerned. That is the idea more or less embodied in the programme.

Mr. DOBBS: There is one point that I would like to take up. It is the case of Christian Nelson. There has been a mixup in at least two departments regarding this man. He is a double leg amputation case, one amputation above and one below the knee. He is a very heavy man, weighing about 235 or 240 pounds. He is so heavy that he is unable to wear his above-the-knee leg. The stump is too fleshy. He goes on crutches. This man applied for a position. I was given to understand at the time, on December 17th last, that there was a vacancy for a switch-board operator in the post office in Toronto. He made application on December 17th, and I helped to make out his application. There was a cross-fire of correspondence for two or three months and nothing eventuated. I found that the difficulty was that the girl who was a switch-board operator objected to being removed because she would have to take another examination. I got him to make out a new application on March 18th, which was forwarded and some more cross-fire of correspondence took place on all sides. Finally Colonel Ross, the Chief Superintendent, recommended this man as a stamp vendor, which position I believe has gone through. I learned that only this morning.

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But on consultation with them this morning we found there was neither of his applications for the position nor any correspondence on the file previous to March 24. Where it has gone, I do not know.

Mr. MACNEIL: Was it sent to the department?

Mr. DOBBS: To the department or the Civil Service Commission. None of my correspondence on the case was there at all. On April 7th he received a letter from the Civil Service Commission sent by Mr. Daly, more or less a formal letter, stating that the position he asked for was filled and asking him to register as a letter-carrier. The mistake occurred through a certain over-lapping of duties, a multiplication of files. However, this matter has been arranged. He has been appointed, and I believe has started. I think he started yesterday.

Mr. MACNEIL: Is it not a fact that the fault was that of the Post Office Department?

Mr. DOBBS: It was due to mistakes on all sides, in the Post Office Department, in the Civil Service Commission and in the Post Office Department again. Now I come to the Orthopaedic and Surgical Appliances branch. What we are asking particularly for on this point is to find out the exact status of the 26 amputation cases employed in the limb factory, as to whether they are civil servants or not. I believe they get the bonus, but they have never been informed as to whether they are or are not civil service employees, though they do get the bonus. The question of the bonus hits them very hard I believe, and they are very anxious, if possible, to keep the bonus at the old level. I have received a telegram from the Secretary of the Association saying that the Premier had promised that the 25 per cent will not be cut off the bonus until the civil servants meet the Cabinet. I would like very much to find out whether this will affect the amputation cases employed in the limb factory. There are 26 of them. They have been trained in special work, and we want to secure their future, to feel that they are placed. Mr. Myers has some notes which he will deal with a little later. On this point we would also like to have some arrangement made whereby the amputation cases or the disabled men could be trained—specially trained—so as to replace the civilians who are at present employed in the limb factory. I think there are 23. Most of them are in the boot shop. Then there is the question of the Research Branch. The Research Branch is the branch which looks after the improvements and so on of artificial limbs. Our idea is to encourage the men who are wearing, using and working with artificial limbs to bring out improvements, and we would suggest that a bonus or something of that nature be paid whereby these men can receive adequate remuneration for their brain effort or for their efforts of imagination. I will leave Comrade Myers to finish the argument.

Mr. MYERS: In connection with the improvements of artificial limbs I think that, from the amputations point of view, inasmuch as the limb factory primarily affects us, the amputations themselves should be taken into consideration. When the Research Branch is going into this matter we think that the amputations might be consulted as an authority upon anything they have in mind. The Research Branch, I understand, has been in operation for some considerable time, and apart from claims that they make for the disarticulation limb, we do not know of any real practical improvement in general operation to-day that they have brought forward. At the present time, there is a great deal of dissatisfaction in the limb factory. We find that the men are not at all contented under present conditions. It has been suggested that owing possibly to the reduction of the staffs in the D.S.C.R. this might be a prime reason. It may be somewhat of a reason, but it seems to me, and it seems from our point of view, that the present administration of the limb factory is not what it ought to be. It is a matter that ought to be gone into by the Committee to ascertain really what is the cause of so much dissatisfaction that is rife there to-day. I can only say this much in that regard that it is useless for us to say this or to say that. The best way of arriving at

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a knowledge as to whether things are right or wrong there is for this committee to have some representative meet the men of the factory and find out what the difficulties are. When we refer to the Administration Branch and to Major Colthart particularly, we find that he has not always lived up to his agreements. We as an association have found it necessary at various times to deal with him regarding amputations there particularly, and we find that upon his written agreement, or verbal agreement, we cannot depend upon it. If you wish evidence in that regard we can easily give it to you. We have it with us at the present time. What we are particularly anxious about is the nature of the amputations in that factory. We as amputations feel that we are first interested, and we want as many amputations kept there as possible. They take the attitude to some extent that possibly the amputation is not as good a limb-fitter as a civilian or as some more experienced man. But still they admit that there is a certain amputation case there that is the very best fitter. As a matter of fact, if the evidence given by Dr. Wace of Victoria is looked up, the evidence he gave on the 23rd April last year, you will find that he told you that they were very fortunate in having a total amputation case in the shop out there who had helped a great deal to overcome their difficulties in the fitting of the men. That disposes of the case of the amputations not making good. As a matter of fact, the amputation case has the question at heart when dealing with comrades in that regard. There are one or two specific things that I would like to bring forward in connection with the below-the-knee cases. We believe that if, instead of those joints that they use at the present time, they would use ball-bearing joints, they would find that a ball-bearing joint has a longer life, and it is a better made joint and easier to operate. At the present time a below-the-knee case is supplied with a joint which is not a very expensive joint but we are constantly having trouble with it. I will give you an illustration. My leg often squeaks at the joint. I am continually oiling it. I was walking along the street the other day, and a lady was pushing a perambulator; it was squeaking, and I thought it was my leg that was squeaking, and I had to stand and figure out which was squeaking, my leg or the perambulator. These things can be overcome by supplying the best quality joint, and we really believe a ball bearing joint would be much more advisable.

The CHAIRMAN: Is that in use now?

Mr. MYERS: No, sir.

The CHAIRMAN: In any country?

Mr. MYERS: Yes. I believe there was some private manufacturer in this country, at some time or other manufactured ball bearing knee joint limbs, but I think he went out of business. I believe there are a few amputations in Canada which have ball-bearing knee joints, and only last week a man demanded a ball-bearing joint at the limb factory, and I believe they are making an attempt to supply him with one, and I believe they could be put into general use. We earnestly request the committee to go into the question of the limb generally, because it has been a tremendous cost to the country, and we wish to be of as little expense as we possibly can. There is another matter before closing that I wish to refer to. We want, if it is possible, to urge upon this committee to consider the soldiers' children who have become disabled, and owing to the high cost of getting splints and artificial limbs—there are not very many of these cases, but we have had them come to our attention, and the limb manufacturer demands a high price for splints and appliances, and we ask that for the time being that they supply to the soldiers' children artificial appliances at cost. We will not ask for them for nothing at present; we will ask for them at cost, to give them a better chance of obtaining these things. We have a nucleus of a tremendous work in this country, and it would be a shame to abandon that limb factory at any time. It is a public duty to keep that place going, and possibly at some future date this committee, or Parliament, may see fit to take over the entire manufacture

[Mr. Myers].

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of limbs, because after all it is humane work. Here is a country which is quite willing to spend money and quite willing to help the armless and legless man even though he be a civilian.

Witnesses discharged.

The Committee adjourned until Wednesday, April 20th, at 10.45 a.m.

HOUSE OF COMMONS,

COMMITTEE ROOM 436,

WEDNESDAY, April 20, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of returned soldiers, met at 11 a.m. Mr. Hume Cronyn, Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Caldwell, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Nesbitt, Savard, Spinney, Sutherland, Turgeon, and Wilson (Saskatoon).—18.

The CHAIRMAN: We have a letter from Mr. Roy H. Kelly which is a special case. We have a written communication from the Victoria Branch of the Red Cross Society, Victoria, B.C., relative to their belief in the establishment of certain training and industrial institutions throughout Canada, and especially in Vancouver Island which is somewhat along the line already laid before us by the Board of Tuberculosis Experts. It differs from them in the fact that under a resolution of their society they are not prepared to take on tuberculosis patients. That might be referred to the Committee when in executive session. It is very lengthy and is signed by six members of the Red Cross Society there.

Mr. NESBITT presented the third report of the Sub-Committee on Special Cases.

Mr. COOPER: I move that all these communications appear in the record, and that the reading of them to the Committee be dispensed with.

Motion carried.

Mr. NESBITT: I move that this report, signed by Dr. Brien, Mr. Copp and myself be placed on the record.

Motion carried.

The CHAIRMAN: We are to hear from the D.S.C.R. this morning, and I understand Major Coulthart is here to speak on the question of the orthopaedic institutions in Toronto about which some points were raised at yesterday's meeting.

Major R. COULTHART, called, sworn, and examined.

Mr. NESBITT: I would like to suggest that as our report refers certain cases to both the Pension Commissioners and the D.S.C.R. for reconsideration, they get the report and read it, so that they will see the ones that are referred to them.

By the Chairman:

Q. Do you wish to make statements, Mr. Coulthart, or to answer questions?—A. I think I might answer questions, I have no prepared statement.

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Mr. NESBITT: He heard the witnesses yesterday, and I think it will be a good idea, if he has taken a note of what they said, to go over it.

WITNESS: There was one point brought up yesterday that I would like to have cleared up, if possible. It involves more or less a point of honour. I was accused of not living up to promises and there was to be certain correspondence tabled. I wonder if that has been tabled. It was claiming that I had not lived up to certain promises. I would like to have the correspondence.

Mr. GREEN: I think the witness stated that he had the proof if we wanted it, but he was not asked for it.

The CHAIRMAN: No, and there was no correspondence tabled.

WITNESS: I would like to clear up that point, if there is any doubt in anyone's mind as to living up to promises in any particular case.

Mr. CALDWELL: I think, in view of the statements made yesterday, the correspondence should be tabled, and Major Coulthart should be given a chance to reply to it.

WITNESS: I do not know what was referred to in any way whatever, but I would like to see the correspondence just to know what he is referring to.

The CHAIRMAN: Mr. Cloutier has handed to me,—and I was not aware that it was before the Committee in any form,—certain statements left with him by the deputation yesterday. Perhaps the witness would like to read this over, and we might call him later, after he has had time to look over these statements. I had not seen them, and I could not examine him on them, and I do not suppose any member of the Committee could. Shall we go on with the general D.S.C.R. material and let Major Coulthart appear later?

Mr. GREEN: I think it will be well to go on with the general investigation now, and turn these over to Mr. Coulthart, and he might come back.

Mr. ARTHURS: Whenever he is ready, perhaps in half an hour.

The CHAIRMAN: Whom do you wish to call now, Mr. Parkinson?

Mr. PARKINSON: I think it is the desire of the Committee to go into the various resolutions with respect to our work.

The CHAIRMAN: I think the simplest way is to have the Deputy Minister make what statements he desires, and to be followed by Dr. Arnold and Major Flexman.

Mr. N. F. PARKINSON, recalled and further examined.

By the Chairman:

Q. Will you make a statement to the Committee?—A. The other day when I was before you I gave you certain information with respect to resolutions passed by the Grand Army of United Veterans. I am now in a position to give you further information, respecting resolutions affecting the work of the Department of Soldiers' Civil Re-establishment, that were laid before the Committee by Mr. MacNeil. This is largely in the form of information as to the cost of the proposals outlined, and remarks as to the feasibility, as far as the department is concerned, of putting the proposals into effect. I have before me Mr. MacNeil's resolutions that were laid before you as to special re-establishment. The first one that was spoken of is the same as the one I outlined respecting the Grand Army of United Veterans; that is, putting into effect the free treatment for ex-soldiers for five years. I have already dealt with that. Then Number 2 reads:—

“That provision be made whereby dependents of deceased or disabled members of the forces may receive medical treatment at the public expense.”

[Major R. Coulthart].

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By Mr. Caldwell:

Q. No time limit given there.—A. No time limit is given there. That is for dependents of deceased or disabled members of the forces,—that they may receive medical treatment at the public expense.

Q. Indefinitely?—A. Indefinitely, I understand. No reasons are set forth in this resolution in support of the demand made to justify the special consideration claimed. On the face of it, this would not appear to be a reasonable request. The privilege, if granted, would be exceedingly difficult to administer with justice, even to those entitled to claim it, while those not in receipt of full pension, but whose earning capacity was seriously curtailed, would undoubtedly feel aggrieved that they could not receive for their families treatment and medicine free in proportion to their degree of disability.

In other words, the resolution is very broad in its application that dependents of deceased or disabled members of the forces may receive medical treatment at the public expense. The question comes in as to what proportion of disability in the ex-members of the forces should be considered as entitling the dependent to free treatment. I am unable to give any particular estimate as to cost, except as a mere matter of guess work.

The consideration of the resolution in so far as the department is concerned resolves itself into one of cost.

It has been estimated that were this provision made, 426 persons would be on the strength of the department as patients at all times. Under present conditions it would be impossible to arrange for the hospitalization of these patients in departmental hospitals, and arrangements would have to be made for this service at the various civilian hospitals throughout the country. The estimated cost is as follows:—

	Per Year
Hospitalization, 426 at \$3 per day.	\$428,000
Full-time doctors from coast to coast, 50 at \$300 per month.	184,000
Specialists, 30 part-time at \$150 per month.	54,000
Incidentals, hospital extras, scale of fee, doctors, medicines, and funerals.	100,000
Total	\$766,000

Q. How do you arrive at your estimate of the number of patients that would be permanently in hospital?—A. Taking into consideration the number of dependents concerned and their health records, we estimate the percentage who are likely to be ill at any one time.

By Mr. MacNeil:

Q. What has been your experience in social service work with regard to that?—A. Dr. Arnold will be on the stand almost immediately, and I will have him go into these details. The next resolution reads:—

“That in accordance with the recommendations previously approved a definite scheme for the after-care of ex-members of the forces discharged from sanatoria following treatment for tuberculosis be placed into immediate operation.”

And the next one is similar:—

“That more adequate facilities be established for the care and treatment of ex-members of the Forces within the category of ‘problem cases’ as defined in the report of the Special Committee of the House, 1920, and that to this end more extensive development be undertaken of the work of the ‘Vetcraft Shops’ now in operation.”

[Mr. N. F. Parkinson.]

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Dr. Hart has given this matter particular attention, and will be able to speak on it in detail. Then the next resolution reads:—

“That in conformity with the recommendation previously adopted by the House of Commons, pay and allowance during medical treatment, following discharge from the army, be scheduled without regard to former rank held in the C.E.F.”

There is no particular comment to make on this. It is a matter of equalization of pay for all concerned who are undergoing treatment. The present practice of course is that the discharged members of Forces who are granted treatment are paid in accordance with the rank they held in the army. That has been the practice of the organization of the work of the Military Hospitals Commission in the first place, which took men direct from the army for treatment, and of the Department of Soldiers' Civil Re-establishment afterwards, which has taken men direct from the army, and sometimes those who have been out of the army for some time.

By the Chairman:

Q. Is that the rule in the Christie Street Hospital?—A. That is the rule in all hospitals.

By Mr. Cooper:

Q. Was there not a recommendation made last year that after demobilization all men should be on the one basis of pay and allowance?—A. Yes.

Q. Why was that not done?—A. That was not acted on by the Government.

Q. The Department, or the Government?—A. The Government.

By Mr. Caldwell:

Q. The Department never had any instructions to carry this out?—A. No.

The CHAIRMAN: I do not recall that recommendation.

Mr. COOPER: We were discussing it the other day. We made a recommendation that all men after demobilization be paid the same rate.

WITNESS: I think it was that all men on the strength of the Department of Soldiers' Civil Re-establishment for treatment would receive the pay and allowances given to a private. That was the recommendation. It was not specified that it was for men who returned after discharge from the army. That is as I remember. A man on the strength of the Department for treatment got the pay and allowance that a private would receive.

By Mr. Arthurs:

Q. The intention of the Committee was in regard to those men who were discharged, and exception was made on account of the officers who had been transferred from the Militia Department to the Soldiers' Civil Re-establishment.—A. I do not think that that was the meaning of the recommendation.

By Mr. Nesbitt:

Q. That was up in the fall of 1919?—A. 1919.

Q. The recommendation was quite clear?—A. Yes.

The next resolution is:—

“That no deduction be made for cost of hospital maintenance from the pay and allowances issuable to former members of the Forces during medical treatment for disabilities attributable to war service.”

[Mr. N. F. Parkinson.]

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That brings into consideration the fact that the pay and allowances by the Department are to all intents and purposes the same as the pension. The total disability pensioner who is living at home pays his subsistence out of the pension he receives; but that same pensioner when he goes on the strength of the Department for treatment receives in addition to his pension his maintenance. For that maintenance the sum of, I think, \$30 a month is deducted. The man who is not receiving total disability pension receives pay and allowances equal to the total disability pension, and for his subsistence \$30 is deducted. The deduction for subsistence does not cover the cost of maintenance. As a matter of fact, the pensioner who is on the strength of the Department for treatment, after the deduction made for maintenance, is better off than the pensioner living at home.

By Mr. MacNeil:

Q. When was this deduction commenced?—A. Last year, when the increase of the pension went through, if I remember rightly. The same Order in Council covered the whole thing.

Q. On what authority was it done?—A. On the authority of an Order in Council.

Q. Is consideration given to a man's loss of earnings during his treatment?—

A. The point that would have consideration of course was the different position of two men in hospital side by side. Here is one man who is not in receipt of a full disability pension. Probably all he gets is \$10 a month, and his pension is increased to \$45 a month. He is a single man, and he gets his subsistence as well. If a full disability pensioner should come in he would get his pension of \$75 a month and, in addition, his subsistence. He is practically in the same position as a man who comes in at \$10 a month and is increased to \$45 a month. He gets his \$75 a month as against the other man who gets \$45 a month and subsistence. There is a difference there that is hardly explainable, and there is great objection on the part of many men who were subject to that difference in money received. That was taken into consideration by the Government and a provision was put through that a man coming in with a full disability pension would have a deduction made so that he would be in exactly the same position as the man who had not full disability pension.

Q. Our recommendation is with regard to the man who comes in on the strength of the Department and is receiving full pay and allowances, as scheduled, from whom deduction is made for maintenance?—A. That brings out the same difference. In other words, the man who is receiving full disability pension when under treatment gets that full disability pension and, in addition, maintenance.

Q. If a man has, say, a 20 per cent disability which increases till he requires treatment, does he not become a total disability case?—A. Certainly he gets his total disability pension but no subsistence.

Q. Is it not the case that the department employs the argument in paying pay and allowances according to former rank, that such is a contract entered into with certain ranks; and is it not similarly applicable in the case of a man who comes in on the strength of the department for treatment, inasmuch as he was assured that in the event of treatment becoming necessary, he would receive the pay and allowances of his rank in addition?—A. Which he does.

Q. Do you take into consideration the fact that the C.E.F. rate of pay has been increased considerably in the Permanent Force?—A. Our pay and allowances at present are higher than the Permanent Force rates.

Q. The pay and allowances are now reckoned as being \$75 a month for single men. When they come into hospital, a deduction is made, but if he is out of hospital, he has to pay his subsistence out of the pension does he not?—A. Yes.

The CHAIRMAN: The finding of the Committee last year on this point was as follows:—

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"Pay and allowances for men undergoing medical treatment—various witnesses suggested that there should be an increase in allowances to men undergoing medical treatment and to their dependents, particularly those suffering from tuberculosis.

In view of the increased cost of living since the pay and allowances issued by the Department of Soldiers' Civil Re-establishment were authorized, your Committee would recommend that a new scale be drawn with effect from the first of September next, based as nearly as possible on the total disability pension now recommended with suitable deductions when men are undergoing treatment in hospital. In other words that the allowances for an out-patient who is unable to follow a remunerative occupation should approximate as nearly as possible a total disability pension."

By the Chairman:

Q. I understand from you that that is the case.—A. Yes sir. The next resolution is:—

The CHAIRMAN: No. 8 is:—

"That treatment with pay and allowances be continued as long as necessary in all cases where former members of the Forces while undergoing treatment for war disabilities contract other ailments."

That is No. 7, and I will leave it for Dr. Arnold to take up. That is a matter of treatment entirely.

"That adequate facilities be maintained to complete the dental treatment necessary in all cases where former members of the Forces while undergoing treatment for war disabilities contract other ailments."

The CHAIRMAN: The Department of the Soldiers' Civil Re-establishment has within the past six weeks or two months, under the authority of an Order in Council, taken over the responsibility of the Department of Militia and Defence in this respect, and all those men who are entitled to dental treatment under the Department of Militia and Defence are now entitled to receive that treatment under the Department of the Soldiers' Civil Re-establishment. That provision has already been taken care of. The Department of Militia and Defence has, of course, demobilized their treatment facilities, and the Department of the Soldiers' Civil Re-establishment, so far as is possible, has taken over those responsibilities because of the fact that we have an organization throughout the country that will be permanent for some years to come, and it was a duplication of expense to have two systems operating throughout the country. Such things as dental treatment we have taken over, and we are now administering it for the Department of Militia and Defence.

By Mr. MacNeil:

Q. What class of men will benefit?—A. All those men who were entitled to dental treatment under the old regulations of the Department of Militia and Defence. If I remember rightly, there was a limit put to the time when application could be made. That was dealt with a year or eighteen months ago. A lot of men had applications in for treatment under the Department of Militia and Defence, as being entitled to treatment as the result of service; and those men who have been already approved will be dealt with by the Department of Soldiers' Civil Re-establishment and given treatment as they require.

By Mr. Douglas:

Q. You are cleaning up.—A. Yes, we are cleaning up for the Militia Department. If I remember rightly, there are only 1,500 or 2,000 cases and they will be provided for by the Department of Soldiers' Civil Re-establishment. No. 9 reads:—

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"That the provision for certain classes of incapacitated ex-members of the Forces under section 63, subsection "M," be made operative without delay."

I am not familiar with the meaning of that.

The CHAIRMAN: No. 10 reads:—

"That arrangements be made whereby free transportation may be furnished ex-members of the Forces suffering from total blindness."

Mr. PARKINSON: I gave the Committee some figures on that the other day showing, I think, that there were 198 men who were classified as being totally blind, ex-members of the C.E.F. So far as the amount of travelling that these men would do, or as to the cost, I am unable to give you any figures. Mr. MacNeil's resolution is based on the fact that these men who are totally blind require an escort and that therefore the cost of travelling is doubled. So far as the cases of the men who are able to take care of themselves are concerned, I would like to give you some information. The training that the blinded soldiers have received at St. Dunstons and in Canada under the department has developed in those men an ability to look after themselves that is very difficult to understand unless you come actually in contact with them. We had a typical case in the department for some years, Captain Baker, whose name has been prominently published on account of his activities in connection with the Canadian Institute for the Blind, which he has taken up since he left the department. Captain Baker is one of those who are particularly adept at looking after themselves. All those men have to a certain extent been trained to look after themselves much more than it is possible to realize unless you come in contact with them. Captain Baker is able to get on the train at Toronto by himself; he goes into the smoker and shaves himself there and dresses himself. He has no attendant. He gets off the train at Ottawa, walks up to the dining-room of the Laurentian Club and gets his breakfast, and then he walks by himself to the department. That has been his usual practice; he has done that regularly. He used to live at the Laurentian Club when he was working in the department and he used to walk over to the department's office quite regularly. He crossed the street by himself, and you would never see him feeling with his hands. He would walk along in a manner that was really astonishing. That has been the experience with Captain Baker and Mr. Veits and others. To attempt to give them too much assistance is more or less insulting to them. They have quite definitely in their minds that they are able to take care of themselves and they are able to go around quite well once they know their surroundings and have been over the ground once or twice.

Mr. GREEN: Colonel Molloy made a similar statement last year.

WITNESS: Coloney Molloy is another man who is very adept at looking after himself. In all fairness to those blinded men, I must point out that the age at which a man is blinded has a great deal to do with his ability to look after himself in future. If a man over 35 years or 40 years of age has been blinded in France, he is much less able to develop the self-assurance and confidence necessary to enable him to look after himself. Then if a man is married he has much less chance of developing that faculty because his wife naturally wants to look after him, and he does not develop that sense of self-confidence and assurance that the younger man gets. Baker was 22 or 23 years of age when he was blinded. At first he was very discouraged, but he went to St. Dunstons; and later on, when he came back to Canada he was altogether capable of looking after himself and of travelling about within reason. I even think he would be able to look after himself in crossing the ocean. Baker, of course, needs no escort, but there is no question that some of those blinded men are put to a greater expense when travelling.

Mr. EDWARDS: He made his way around London alone.

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WITNESS: Do you refer to Baker?

Mr. EDWARDS: Yes.

By the Chairman:

Q. Can you tell us what the helpless allowance is that is awarded to the blinded man?—A. The pensions people can give you that.

By Mr. Caldwell:

Q. These cases that you cite are very exceptional cases, are they not?—A. I would not say very exceptional. That is the general result of the training that has been given to those men which has increased their ability to look after themselves.

Q. It assists them to do that?—A. There is no question about that. Sir Arthur Pearson's organization in England was, I suppose, the first school of instruction for the blind that was developed along progressive lines. Those lines have been followed in Canada. Baker and Veits and several others are largely interested in the operation of the Canadian National Institute for the Blind which is now the Canadian St. Dunstons, so to speak, and the same policy of training is being carried out there.

By Mr. Nesbitt:

Q. I saw pictures in some of the illustrated London papers showing the St. Dunstons' patients playing football.—A. Yes and I was much astonished to walk into a room one day and find Captain Baker playing cards.

Major BURGESS: The special allowance is \$350 per annum for the first six months, and \$300 permanently.

WITNESS: The next resolution reads:—

“That more adequate provision be made for the burial expenses of ex-members of the Forces who die in destitute circumstances and for the dependents of those members of the forces who died on active service.”

The present arrangements are that men who are on the strength of the Department for treatment, and in certain cases men on the strength of the Department for training, receive burial expenses from the Department if they die. Men who are not on the strength of the Department for war disability, but who die from disability other than service, are not entitled to burial expenses, and they have not been paid by the Department.

The CHAIRMAN: That was the decision of the Committee last year.

WITNESS: The next recommendation reads:—

“That a measure be introduced without delay, making provision for the additional risk involved in the employment of disabled ex-members of the forces in industry under Workmen's Compensation legislation, as recommended in the House of Commons, 1920.”

That was taken up by the Committee last year, and the Department has been giving consideration to that. It is rather an involved matter, on account of the Workmen's Compensation laws in Canada being so different and controlled by eight or ten bodies throughout the country, and in some provinces there is no provision for Workmen's Compensation. For instance, in Quebec, I understand, there is no Workmen's Compensation Board. The Department now has certain information, but I must admit it is incomplete, because the matter, as I say, is a very involved one, and to my mind will take quite a considerable time to get into any kind of shape to put before your Committee.

By Mr. MacNeil:

Q. Is there any hope of getting it prepared soon?—A. I would not say within one year. There are eight or ten bodies in Canada who have different ideas and hard
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to get together, and scattered through different provinces. We have been conducting wide correspondence, but it is almost impossible to do it by correspondence. It will mean revision of provincial legislation, for one thing, in very many provinces.

Q. Is it the experience in your Department that the lack of such provision operates to the disadvantage of the disabled man?—A. Not as far as the Department is concerned. We have been able to get along very well. Of course, we have made provision for taking care of any accident that may happen to a man during training. The Federal Government now has that responsibility in its own hands, and a man who is placed in training is not a charge against the province if he suffers an accident from any cause other than negligence, but if he suffers an accident his compensation is taken care of by the Federal Government. We arrange that so that we can conduct our training without undue difficulty in placing the man in industries. The other question is not to my mind a very important one.

Q. When he is trained, is he able to continue with that industry?—A. We have had no cases of men who have been unable to continue in employment on account of disability.

The CHAIRMAN: It strikes me the question is a large one, and the effect of the evidence we have is that it is distinctly detrimental to the injured man. The suggestion made—and I quite see the difficulty of carrying it out with these various bodies—is that the Federal Government undertake to pay an additional premium provided in such cases, so that the whole loss should not fall on the Board or on the industry.

Mr. CALDWELL: The very fact that there is provision made to take care of this type of disability while under training is an indication that it is necessary to follow this man with something of a like nature when he is through with his training.

WITNESS: That was not the idea. These men are not on the pay of the plant. They are on the pay of the Federal Government as trainees. If they suffer accidents, they are not entitled to pay. The compensation for accidents in industries is based largely on the pay a man is receiving—that is, through the Compensation Board. They consider the pay he is receiving and his compensation is based on this class of work, and what remuneration he is in receipt of; as far as we are concerned, we are paying the man in these plants, and the pay is coming from the Federal Government. They were simply in there for training. When they finished their training, they were taken on as employees, but there was no way they could arrange for compensation to be adjusted. We went to the Compensation Board and had them examine into the case as far as that was concerned, and recommended the payment of certain compensation in accordance with their regulations.

Q. Are there many claims under that Branch?—A. Yes, we have had quite a few cases of that kind.

Q. Practically, what have been the special difficulties to prevent you from getting legislation?—A. It is not for us to recommend legislation. Naturally, we say the provinces can deal with the cases themselves. It is a case of the provinces changing their legislation, because their legislation is based on the fact that compensation is only between employers and employees. The Federal Government has not entered into it at all, and when you have to deal with this question on the basis of changing provincial legislation in all the provinces in Canada, it will take some time.

By Mr. Wilson:

Q. The matter is only dealt with by Provinces?—A. Yes.

Q. Otherwise it would be looked upon as a usurpation of the right of Provinces to make the attempt?—A. That is the point. Then as to vocational training, the first paragraph reads:—

“That the present rate of pay and allowances to men undergoing vocational training be increased to conform with the proposed increase to the total disability pension, and that no deduction be made on account of pension.”

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As far as the first part of it is concerned, it has always been the feeling of the Department, and has been the recommendation of the Committee on previous occasions, that pay and allowance from the Department for men in vocational training should form a double disability pension, so that if any increase is made in pension, I think it will be necessary to consider the men on the strength of training and the men on the strength of treatment—

By the Chairman:

Q. Is it not done now?—A. It is now done. The pay and allowances of the Department in all cases are equal to and in some cases greater than the double disability pension. Then, as for the second portion:—

“That no deduction be made on account of pension.” That question has been up on several occasions before. It has been put forward on many occasions, and the Department has always taken the view that the man who is getting total disability pension—because that is what he is going to get when he is on training—is getting the amount the Government has indicated as being required for subsistence and for the care of that man, taking into consideration the cost of living and all the rest of it. Pension is only deducted when a man goes on training because he gets an amount equal to total pension. I do not know that there is very much to be said on that. It is simply a question of whether or not a man in training will be paid more than total disability pension. That is the whole consideration. The arguments have been advanced that men who were in receipt of pension on account of disability were a greater expense, and that were they out in civilian life they would be getting their pay, plus their pension. When they are on training, they are getting their pay, plus the training. The Government is training them so that they can take part in civilian occupations at a later date, and it has always been considered that a man on strength of training is receiving considerable benefit by training, and he should have enough to subsist upon and take care of him while on that payment, and the pension has been adjusted on several occasions, taking into consideration the cost of living the man would be put to, taking care of himself. That is always the amount he has been paid by the Department.

By the Chairman:

Q. And something of the same condition would arise as you mentioned already in regard to medical treatment; that, if pension were granted as well as vocational pay, you would have a man with a small disability getting very much less than a man with a large pension?—A. Yes, that is the case unquestionably, and there would be very great objection on the part of the man on strength for treatment; he would want the same treatment, and I think quite reasonably too. Then the next paragraph reads:—

“That an opportunity be given for extension of training to all those who have completed courses of training and who, through no fault of their own, have not gained a degree of efficiency enabling them to gainfully pursue the vocation selected.”

I dealt with that the other day, and also the resolution of the Grand Army of United Veterans, and I pointed out that they have already granted new courses to men, who for various reasons have been unable to follow the occupation for which they were trained. I think the number of new courses I have granted is something like 470 or 480.

By Mr. Douglas:

Q. Do you mean a change in course entirely?—A. No, I mean a man who has completed his course, and for some reason, nothing to do with himself, has been unable
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to follow the vocation for which he was training and we have taken him back and given him a completely new course.

Q. Along the same lines?—A. No, different lines altogether.

By Mr. Arthurs:

Q. I think there was an additional argument put forward by Mr. Marsh, where a man was trained as a book-keeper and could not secure the position, and required a short refresher course before taking a position; in the meantime he goes to work as a labourer and loses the advantage of the training of your Department?—A. We have also taken care of that to a certain extent, although we considered it an extension of the original course granted. The number of extensions has been very large, but Mr. Flexman will speak of that.

Now the other resolutions on unemployment:—I think there is nothing there I can speak on, unless you wish to ask questions. They do not affect the Department in particular.

By Mr. MacNeil:

Q. What has been the amount expended for relief, up to date?—A. The amount we expect to expend up to April is one million and a half.

Q. How many men?—A. I think about ten or twelve thousand men.

Q. What is the intention of the Department with regard to employment needs of the handicap men in relation to the work of the employment service of Canada?—A. In relation to the employment service of Canada?

Q. Supplementary activities.—A. Of course we have carried on and are still carrying on in connection with the follow-up and after-care Branch of our Vocational Training Section, special employment facilities for vocational graduates and other disabled men who have appeared and needed assistance. We also have in Ottawa a man dealing specially with the Civil Service Commission which has placed, through its offices, a large amount of men in the Civil Service.

Q. Is this available to all disabled men?—A. Yes.

Q. Whether trained or not?—A. Yes,—what we consider as handicap cases. For instance, a man disabled in the arm, but not seriously so, we would not consider as specially requiring assistance. I am speaking particularly of amputation cases and blinds—severely handicapped cases.

Q. Have you authority to continue this for next winter?—A. No, we have no authority for next winter, except of course our regular assistance as far as employment is concerned. We have no authority to hand out fuel or rental.

Q. Employment work?—A. Yes, we have authority to carry that on.

The CHAIRMAN: Before Dr. Arnold comes on, I think we might, for guidance, refer to the finding of October, 1919, of the Committee on Re-establishment, which was referred to earlier in Mr. Parkinson's evidence. Page 49 of the report reads:—

“Suggestion (2).—That the same rate of pay and allowances be granted to all those undergoing medical treatment and to their dependents by the department instead of the present rates paid, which were established according to army pay of rank on account of certain ex-members of the Forces undergoing medical treatment through the department having patients in Military Hospitals where all other patients received army pay of rank.

Recommendation.—That, as all ex-members of the forces receiving such medical treatment are civilians, and it is desirable that all ex-members of the forces be treated alike as Canadian citizens apart from military distinction as to rank, etc., the rate of pay and allowance granted to all those undergoing such treatment and to their dependents be the rate now paid by the department to an ex-member of the forces who held the rank of private in the C.E.F. prior to his discharge from the army.”

Witness discharged.

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Dr. W. C. ARNOLD, recalled and further examined.

The CHAIRMAN: Will you make your statement, Dr. Arnold?—A. Colonel Parkinson has marked three of these recommendations which apparently he thought you would like to examine me on. These are 3, 4, and 7. I do not know just what you want me to say.

Q. You had better cover this resolution if you can. A. (Reads)

"That in accordance with the recommendations previously approved a definite scheme for the after-care of ex-members of the forces discharged from sanatoria following treatment for tuberculosis be placed into immediate operation."

That is part and parcel of the investigation that we have been doing for the past year. I do not know that this is the time or the place to deal with it, because the whole thing is involved in the after-care of all types of patients, and we will have numerous recommendations that we hope to bring up in executive session.

By Mr. MacNeil:

Q. Is it the intention of the department to treat the problem cases in the same manner as the tuberculosis cases?—A. No, it is not. There will have to be separate provision made for the tuberculous, and it is the intention of the department, if the present plans do not miscarry, to do that definitely, although we are not in a position possibly to recommend a definite scheme which will be applicable in every province. In regard to sheltered employment, it is fairly obvious that the scheme which would be applicable in the Hamilton district would probably fail in the city of Regina. That is the reason why we are not prepared to come to your Committee this year with a definite recommendation. This, will have to be worked out in connection with some of the provinces, and worked out in conjunction with the philanthropic societies. We know what we are prepared to recommend to the societies, but the ultimate scheme which is to be worked out should be worked out with their concurrence, with their help, and with their full co-operation.

Q. Would you recommend that full responsibility be placed on the societies?—A. I would recommend that the administration be placed under their supervision. I do not believe that there is any intention, so far as the department is concerned, to recommend that the financial end of it be placed wholly under their jurisdiction.

Q. To what extent do you approve of Federal responsibility for the case of those men?—A. In the way of a per capita subsidy and general supervision. It was for that purpose that Colonel Hart was taken on our strength.

Q. If, at any time, the treatment accorded to those men did not meet with the approval of public opinion, what opportunity would there be to appeal against it; what control would you have of the treatment?—A. We would have absolute control of it as far as I can see. I do not believe that there is any intention to deviate from that. We would have the option of taking a man from any place if we saw fit and putting him in another place.

Q. He would be a ward of the State?—A. Quite, the general supervision over him would always be our charge.

Q. Do you propose to recognize vet-craft shops?—A. Possibly in some places. We propose to recommend that they be extended so that those at present in existence may be widely extended in all probability. As a matter of fact, our experience is proving that they have been fairly successful.

Q. What was the total expenditure involved under the free medical treatment of unemployed soldiers last winter?—A. I cannot give you that offhand. As a matter of fact, we have quite a number under treatment yet, although the time has expired. These men came on, and we naturally felt that we would have to carry them.

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Q. Was the demand heavy?—A. Yes, in some places quite extensive; in other places not so much as was expected.

By the Chairman:

Q. Can you get us the figures?—A. We can.

By Mr. MacNeil:

Q. Would not the figure showing the total expenditure involved for free medical treatment for five years be considerably modified if hospitalization was not included?—A. Oh, yes, there is no doubt about that.

Q. If facilities were provided for the extension of existing facilities for returned men in the way of clinical consultation, would it not relieve the department and other public bodies of harassing appeals?—A. It possibly would relieve our clinics and our medical department of some appeals, but if you have not the hospital facilities at your disposal, the situation would be far worse than that existing at the present time. You can easily see that a man coming into my clinic in a condition of practical collapse, if I have no hospital bed for him, I am placed in a situation that is much worse than the existing conditions to-day.

Q. Is it not the opinion of eminent British medical men that ailments such as trench feet, formerly considered of a minor character and not usually recorded in the medical history sheets and given scant attention previously, are now resulting in vital complications?—A. No. I do not know that trench feet would enter into that. There are, for instance, claims of that kind in connection with heart disease, but I do not know that that would be generally true, nor have I any information that trench feet had raised conditions of that kind. There are some cases. You, who have had experience, will know of the condition that, overseas, was put on the sheet as P.U.O., "pyrexia of unknown origin." In those cases we have conditions cropping up where there is a doubt as to whether the present condition might not be attributable to some disease, because that was diagnosed as a disease of some unknown origin. Conditions to-day are being connected with troubles from heart disease.

Q. Is it your opinion that the returned soldiers are more susceptible to various types of disease by reason of lowered resisting powers?—A. Provision, it seems to me, was made in the years of free treatment with the view that lowered resistance would be adequately cared for by one year's free treatment. As a medical man, I am not prepared to admit, that because a man served, his resistance to disease must necessarily be lowered thereby.

By the Chairman:

Q. We have heard statements made that there is now occurring a class of cases among the men who came back apparently fit who went to work and carried on in the meantime, but who are now showing signs of break-down in one or other particular. I cannot describe the case medically, but I would like to know whether the department has experienced anything of that nature in a general way?—A. We have experienced any number of statements of that kind. It is a general opinion among the lay doctors throughout the country that because a man served, any disease he might get later on is due to that service. In my opinion, there is no cause for generalized complaint through that cause. There are individual cases where possibly that is so, but if you are able to trace a man's history over a period—having his casualty sheets, his medical history sheets and everything before you—my opinion is that if you are able to find nothing in his service of any kind whatever to account for a condition of that kind generally, the claim cannot be substantiated.

By Mr. Edwards:

Q. Have you found anything that would lead you to conclude that men who have any ailment are liable to regard that ailment, no matter what it is, as due to war

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service?—A. I think that, after all, you have to go back to the motive, and unquestionably the motive is there. I do not know as to the sincerity of the men, but I know that the condition you describe does exist.

Q. I have in mind the case of a man in my own locality. I think is perfectly sincere, but I also think he is absolutely wrong.—A. I quite agree with that.

Q. He is quite sincere in thinking that the rheumatism he has now at the age of about 60 was due to the war.—A. We see every day conditions coming up, and what are really old-age complications are attributed to the war service. Maybe they are sincere.

Mr. CALDWELL: I think that as a Committee we are going pretty far in imputing motives to the soldiers.

Mr. EDWARDS: I do not think it is any reflection on the soldier.

Mr. NESBITT: It is just human nature.

Mr. CALDWELL: I think we are going pretty far in imputing motives to the soldiers.

The CHAIRMAN: We will pass to the next resolution.

Hon. Mr. BÉLAND: It is simply a question of sincerity.

Mr. EDWARDS: I did not impute any wrong doing. I said that I believed they were quite sincere, and I also said that I believed they were wrong. In the expression of that belief I was not imputing any wrong motive.

WITNESS: The next resolution I have noted is No. 7.

“That treatment with pay and allowances be continued as long as necessary where former members of the forces while undergoing treatment for war disabilities contract other ailments.”

The procedure in force in the department to-day is, that if a man is taken on the strength for a disability due to service and contracts in the interim an intercurrent disease, I think that in every case,—certainly in every case that has come to my attention,—the man has been carried on with pay and allowances. In other words, they do not allow the war disability to clear up until the other does, and no complaint has been made, so far as the headquarters of the department is concerned, of that procedure. I think possibly that what is in mind may have been this: If a man contracting an intercurrent disease stays all the time when that intercurrent disease is quiescent or the apparent need for treatment is ended, even if he is discharged and comes back to us after an interval during which he needed no treatment, we will not take him on the strength for the disease which was not due to service.

By Mr. MacNeil:

Q. Even if the treatment is responsible for the contagion?—A. Oh no, if there was any question of responsibility so far as the department is concerned, he would be taken on.

Q. If he had been exposed to the contagion while under treatment?—A. That again would be a question for individual investigation. If, for instance, he was taken into the hospital with an arm wound, and was subjected to contagion, I think we would have the responsibility. We have had a number of that class occur, and I cannot call to mind any case that we have turned down.

Q. And in a case of later complications it would be the same thing?—A. Yes.

I have no other recommendations marked here.

The CHAIRMAN: Are there any other questions you want to ask Mr. Arnold, Mr. MacNeil?

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By Mr. MacNeil:

Q. Would pay and allowances for men undergoing treatment as scheduled according to rank apply to those who receive treatment for recurrence as well as those who were transferred from the department?—A. Exactly the same.

Mr. PARKINSON: I think Major Flexman is ready to take up one or two questions.

Major ERNEST FLEXMAN, called, sworn and examined.

By the Chairman:

Q. What are you prepared to take up?—A. Both the questions on the paper here have been answered by Mr. Parkinson. The first one on Vocational Training is the question of increase in the present rate of pay and allowances; men undergoing vocational training have been increased in conformity with the increase of the total disability pension. I am quite in accord with what Mr. Parkinson says in regard to that; that if the pension is increased there is no doubt the pay and allowances of the men should be increased also. Then it says, "that no deduction be made on account of pension." I have always looked upon the payment of pay and allowances as being maintenance in order to enable that man to subsist during the time he took training. The payment of pay and allowances is equal to the full disability pension, which is calculated to provide that maintenance, and I have always considered that the payment of pay and allowances, without the payment in addition of pension, was sufficient for that purpose. If the payment of pension was made in addition to the scale of pay and allowances, there would be a great deal of cause for complaint, and a good deal of dissatisfaction among the men who had taken training. We have men who are getting pensions ranging from two or three dollars, if they are commuted, to full disability pension. They stand side by side in the shop, one man getting the full pay and allowances, and another man getting double that, and for no reason that I can see in regard to the need.

By Mr. Nesbitt:

Q. Do you attempt to equalize that?—A. We provide maintenance for the man while he is undergoing training. Then the next paragraph reads:—

"That an opportunity be given for extension of training to all those who have completed courses of training and who, through no fault of their own, have not gained a degree of efficiency enabling them to gainfully pursue the vocation selected."

I would like to say in connection with that, that our aim and endeavour has been, before we discontinue a man's course or complete his course, to see that he is in a position to take a job in the course for which he was trained. In some cases, we have not been able to do that as thoroughly as we would have liked, due, to a great extent, to the attitude of the man himself. Unless a man has the will to get on and the will to learn, he is not going to make the same progress as a man who will try, but in every case we have taken into consideration the handicap the man has had owing probably to lack of education, or lack of previous training, or any other cause. After a man has completed his training, in many cases he is absorbed into that workshop in which he has been trained. In other cases, we have found another place for him to work, and in some cases it has been impossible for us to find work for a man in the line of his training, due mainly to economic conditions at the time at which he completed his course. Under these circumstances we have endeavoured to find a man temporary occupation

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along some other line, and we always keep those men in mind, and if an opportunity comes up later where we can put a man back into the line of his training, we endeavour to do so. A good many of the men themselves go into other lines of training. They chose it themselves. There is quite a number of reasons for that. Some get better pay, and others find they are quite well able to return to their pre-war occupation.

By Mr. Douglas:

Q. And would their training be lost to them?—A. The training has had this effect, that when they started off on their training they were not able to return, but their health has improved, their confidence perhaps has improved, and they are able to come back into the work they did before. There is quite a number of men who have drifted back into their old jobs, and you have to take into consideration too that in granting a man training there is always a great deal of doubt as to whether he can get into his pre-war occupation, and, insofar as we have any doubt, we give him the benefit of that doubt and give him the training if there is an element of doubt as to whether he could come back.

By Mr. MacNeil:

Q. What percentage of the men have not followed their courses of training?—A. About 20 per cent to 25 per cent.

By the Chairman:

Q. Have we before the Committee the figures up to date of what the Department has accomplished?—A. The figures are given in the last annual report up to the end of the year. I can get them up to date if you wish.

The CHAIRMAN: I think it would be well to have them on record here.

WITNESS: There has been a situation during the winter months which has thrown a number of vocational students out of work, and we are going to have quite a lot of trouble during the next few months in getting them placed back in employment again. During the winter months we have given relief in all to over 11,000 men. I have not got the exact figures of the number of vocational students. They will be available to-morrow, but I imagine they will be about 50 per cent of the total number.

By Mr. MacNeil:

Q. They were about the first to go when the industrial depression came on?—A. Those who had completed their training recently probably were, yes.

By the Chairman:

Q. The question was raised about the possibility of training vocational students in Government departments. Has anything of that kind been done?—A. That is being undertaken.

By Mr. MacNeil:

Q. To what extent?—A. Very little so far. The arrangements were only made during the last three or four months.

By Mr. Nesbitt:

Q. Has it been your experience that men who had vocational training and who were employed by corporations where they took their training, were prejudiced any by lack of employment this winter and were turned off previous to the other men?—A. I think there has been a certain amount of that due to the fact that the industries have wished to retain their old employees rather than retain the newer men and let off the older men. I think there were some of these in that position.

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Q. Some of these have become old employees when they finished up a year or two ago?—A. I think the majority of them are staying.

By Mr. MacNeil:

Q. Is it not universally true that there is only in cases where they were absolutely efficient?—A. Well there is a degree of efficiency all the way through the training. Long practice will make a man more perfect in his work, and to a great extent the employers have got a great many of our men and continuing them in preference to men who have had longer experience. I have no doubt there is a number of employers who have let out our men in preference to the old employees, and they have always had this to look at, that they have known our men are going to get some assistance. They have not had that to look forward to in the case of the men who are older employees.

Q. Is it not the usual experience that no matter how sympathetic the members of the large employing interests may be towards the needs of returned men, when it comes down to dealing with the shop foreman or superintendents like that, they regard the efficiency, and they shelve the interests of the disabled man and are not disposed to give him very much of a chance?—A. Well there are only a very few instances where I came in contact with that. I used to be in the shops a good deal in Montreal, and the attitude of most of the unions down there to the men was very, very good, and I think that has been general throughout the country. I think the unions have been exceptionally lenient, because they have had their regulations with regard to training, and in most cases they have let up on those regulations to allow our men to train.

Q. The statement made yesterday is not applicable to all centres in regard to the attitude of labour unions—the statement by Mr. Dobbs that some labour unions objected to the training of amputation cases?—A. Not by any means—no, not in general.

By Hon. Mr. Spinney:

Q. Have you any statistics to show how many soldiers took the training—that is, tried certain lines and reverted to some other training?—A. The number of men who started in one line of training and changed to another turning was 7,050. They were changed at various stages of their training.

Q. Is that system not likely to be abused?—A. Yes, unless it is very carefully watched.

By Mr. Douglas:

Q. Was the change made on the desire of the men or on the part of the trainer?—A. It might originate from either, but the desire of the men alone would not be a sufficient factor. If a man always followed one form of occupation, we would endeavour to put him through that form unless there was some other reason why we could not put him on.

Q. There must have been a number of cases where a man would desire a training where his education did not fit him for it, and you would naturally change that?—A. Lots of them. I think I made the remark last year that at one time about 50 per cent of the men who applied for training wanted motor mechanics.

By Mr. Arthurs:

Q. There was also a number of men whose courses were changed on account of their inability to stand the strain?—A. Yes, a great number of that kind.

By the Chairman:

Q. What would you say as to the advantage of giving a refresher course to the men who have been already trained once and have not perhaps got employment and

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feel they should be brushed up?—A. We are doing that in a number of cases at the present time with men who have been out of work for some considerable time, or who have not been able to follow the line of training immediately after completion. The only way of doing that has been by putting them into the actual shop and giving them a further course of a month or two.

By Mr. MacNeil:

Q. Under what conditions do you grant such an extension of training?—A. Under conditions where the man was unable to take a job in the line of training due to the fact that he had been so long away from it.

Q. Or that he was not sufficiently skilled?—A. We do not complete a man's course unless he is sufficiently skilled to hold a job.

Q. Under what conditions do you grant re-training?—A. The conditions under which we can grant re-training to-day are for those men who are being discharged from the hospital provided they make application within three months. Also we are giving courses to men who have endeavoured to carry on in their pre-war occupations, but who are breaking down and going to hospital and finding that the occupation they were carrying on is the cause of their break-down.

Q. You have not sufficient authority at present to give full effect to this recommendation?—A. To continue the training?

Q. To extend the training or to grant re-training to those who through no fault of their own have not gained efficiency?—A. I think we have the authority to complete what we started out to do.

Q. Perhaps there may be reasons apart from physical break-down?—A. What reasons do you have in mind?

Q. Supposing a man was trained in optical work, and he has found that some error was made in selecting his course, or that he had not attained a degree of efficiency to enable him to get adequate remuneration at that particular trade. That is now definitely decided, but I am not quite sure that, if a man is unable to make a fair wage in that particular industry, he will receive, say, eight months' training. Is that man considered eligible for re-training?—A. We have re-trained several hundred men owing to various causes.

By the Chairman:

Q. One of the suggestions which has come before the Committee is that there should be re-examination of vocationally trained students who have been unable to obtain employment along the lines for which they were trained. Have you anything to say as to the practical working out of such a recommendation?—A. I am rather at a loss to know what form that examination would take. I think the test would be the getting of employment by those men eventually. Until the past winter we have been remarkably successful, I think, in obtaining employment, which would go to show that the training had been sufficient to enable them to obtain employment.

Witness retired.

Mr. PARKINSON: Yesterday some statements were made by the witnesses giving evidence with respect to the usefulness of certain appliances and the attitude of Colonel Starr in the matter. We have in Toronto three orthopaedic consultants. Colonel Starr is a consultant only, but we have also Dr. Lemesurier and Dr. McKenzie. Dr. McKenzie is here to-day. He is besides a consultant of the department, and he is actually engaged in the orthopaedic factory, working part time for the department in the actual supervision of fittings and in consultative work generally in respect to limbs. He is also on the staff of the Medical College of Toronto

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University, and if there are any questions that the Committee would like to ask him with respect to the Carnes arm, for instance, he would be able to give you the information.

The CHAIRMAN: After we get through with Major Coulthard, we may be able to take that up.

Major COULTHARD, recalled.

WITNESS: I find here in yesterday's minutes the following:—

“When we refer to the administration branch, and to Major Coulthard particularly, we find that he has not always lived up to his agreements. We as an association, have found it necessary at various times to deal with him regarding amputations there particularly, and we find that upon his written agreement or verbal agreement we cannot depend upon it. If you wish evidence in that regard we can easily give it to you.”

In my opinion that statement is trivial, unwarranted, and beside the fact. I may begin with a brief history of the employment in the factory and of how it has been reduced recently. During the nine months prior to last December, we found it necessary to reduce our staff by about 60 per cent owing to the diminution of work. At that time we were at a very low ebb. At the present time we consider we are about on a basis which will continue. We had, prior to that time, in our employ, about 24 per cent of amputation cases. After the reduction up to December, we had 34 per cent amputation cases, and mind you, that was keeping on what we considered civilian labour, which is the pivotal labour required for the efficient running of the factory.

By Mr. Nesbitt:

Q. What do you mean by pivotal labour?—A. The pivotal men are the foremen or such men as good tool-makers, expert tool and die makers. That is work that a man cannot pick up in two or three years. He must have considerable experience. For the work of a foreman he must be an old, experienced man, because he must use very good judgment, and he must not be hasty. He must have considerable experience to carry on his department efficiently. I have considered removing many of these men, but we have certain pivotal men who I think, in the interests of the factory and in the interests of efficiency, it would be rather fatal to do away with at the present time. When the reduction gets down to a point where it is practically repetition work, which we have not arrived at yet, I think we may even get rid of some of these pivotal men. But that time has not yet arrived. As I stated, we have 34 per cent of amputation cases on our staff.

By Mr. Arthurs:

Q. What is the number of your total staff—A. We have only 78 at present. We had over 150.

Q. That would leave 23 or 24 amputation cases?—A. There are 26 amputation cases in the factory. It must be admitted that this is a very high percentage of partially disabled men. Further than that, we have other partially disabled men, who are not amputation cases, in our employ. Altogether we consider,—in fact it has been my policy, and I have told the management and have over-seen it to this extent,—that no amputation case or no returned man is to be discharged unless the matter is brought up in conference with myself. We absolutely decided that the efficiency of the factory would be impaired if any other men had to go. I see that a case was brought up and is mentioned in this memorandum which has been handed to me.

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This is their statement. I find that they base their accusation evidently, as outlined in the minutes, on an excerpt from a letter which was written two years ago. I should like to read this extract because I cannot see anything else that would refer to any broken promises. It says here:—

“By virtue of an agreement drawn up between yourself and Colonel Morrison on the one hand, and A. Hazelton and F. Price on the other. This agreement is embodied in a letter to Colonel Morrison from J. V. Conroy of the G. W. V. A., dated February 5, 1919, and same is marked “approved” and signed by yourself and Colonel Morrison. In this agreement it is distinctly stated: “It is the intention of the Department to fill all positions by returned men, consistent with efficiency (amputation cases preferred) this agreement we claim is not being carried out at the present time.”

They state that this agreement is not being carried out at the present time. That is the only thing in that memorandum I can see refers to his accusation.

By the Chairman:

Q. You say that you have followed that?—A. We have followed that absolutely.

Q. You did not give us the percentage of returned men in the factory.—A. About three-fourths of the men are returned men at present. At one time there were over 80, or about 85 per cent in the factory, but when we reduce our staff, and having to keep those pivotal men, naturally it is going to reduce the percentage of returned men. We have got rid of a great many of our outside fitters. We brought in a lot of American fitters at one time, but at the present time, I think we have only two on our staff. There are no outside branches. We had at one time something like a dozen American fitters, and we have gradually eliminated them from our operations entirely. They bring up a certain specified case which has come up recently. I may further state that prior to December we considered letting men off because I was rather afraid that we could not employ them in the Winter. I took the matter up with the Factory Committee, and they put it up to the men, and they agreed that they would continue on a thirty-eight hour week rather than 44 hours as formerly. In that way, we retained a lot of those men through the Winter months, but recently the men, through their committee, have notified me that they want to get on the eight-hour day again in spite of the fact that they know this would mean laying off a certain number of men including amputation cases. But they insist on that, so rather than have any trouble in that way, we put the matter right up to them and notified them as to who would have to leave, because you cannot carry on a factory with idle men in your employ. It interferes with their morale and the general discipline of the factory.

Q. You say that you have certain special cases?—A. We have certain special cases that they have brought up.

Q. These are the men you think will have to go?—A. There were three amputation cases. I will just give you the particulars of these three cases so that you will see we are taking them into consideration following their decision. One man is named Missen. In their memorandum in a letter which was sent to us, they described this man as a general bench-worker in the machine shop who had some grounds of complaint of treatment by the foreman. Any factory in the country will occasionally complain of a foreman. Now here is a case. In the first place Missen is a machine-operator. He is not a machinist, he is not a bench-hand, he is not a nickle-plater or polisher, and in this part of our operations, we have three machine-operators, and two of them must go. Naturally we are retaining the most efficient man, who, by the way, is a returned man, although not an amputation case; but he has to be an absolutely efficient man, and he is a much better man than Missen. Consequently we decided to retain Bassett, and the other two men had to go. There was no other place in the shop where we could have placed this man, because, as I stated, he is not an accomplished machinist, not a blacksmith, not a bench-hand or blacksmith helper,

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and not a nickel-plater or polisher, and these are the only positions outside of tool-maker,—he is not a tool-maker,—and there was no place to put him; consequently it was considered necessary in the interests of the factory that he would have to go. I have taken these cases up with Mr. Dobbs, who is looking after the placing of amputation cases in other jobs, and we have given him ample time to try to place the others. I shall go into this case a little further to show you what we did.

That was the position in regard to Missen. But Missen was quite willing to take on another job in our Research Department. He is not an accomplished man, but we are losing a man in our Research Department, and rather than get rid of him entirely we thought perhaps we might be able to place him,—and this came up about a month ago,—in the Research Department, but he would only be a very minor hand in that department. He has no special ideas on mechanics or anything of that kind. We thought we might place him until such time as Mr. Dobbs was able to get him a place. That was our understanding.

By Mr. Nesbitt:

Q. What became of Missen?—A. He is still with us, his time is not up yet, and Mr. Dobbs is still trying to place him, but if he cannot place him, there is nothing else for us to do, unless we consider this an eleemosynary institution, which in fact is not. We cannot depreciate the morale by having an idle man around. There was another man—Lovelace—a leather worker. He has had a lot of trouble at home, and this might have affected his work. This is their memo. in regard to him:—

“We think he would make good if given a show. We have had trouble with this man. You can never depend on his being there, and being a leather worker they look after individual cases, and if a man is not there, you have a case coming in to be fitted and he has got to go home home; if he is brought in from a distance it is not only a great expense to the public, but also an extra expense to the man, because he might have a job at home and want to get back to it.”

I might further say that Lovelace was a country printer by trade prior to the war. I took this matter up with Mr. Dobbs some time ago before we got this letter. In fact, I took all these cases up with him. He agreed at a recent congress which we had that inasmuch as he was a printer to try and get him a job as a country printer, and it appears that in one of the country towns he got an application for a printer. Whether Lovelace did not want to leave the city or not, I do not know, but he turned the job down. Mr. Dobbs then endeavoured to get him a linotype course, so as to make him a more efficient printer,—a linotype course under the vocational training,—and Lovelace is in doubt as to whether he wants that or not. So that, in the matter of helping a man, he has got to go half way with you, I think. At the present time he is absolutely non-efficient at his job, and unless there is some institution where these men are to be kept. I do not consider the orthopædic institution is to be classed as an eleemosynary institution. This man Jones is another case. He is one of our fitters' helpers, and every man we have on the job as a fitters' helper is an amputation case, and that department must be reduced, and there is no other job there that Jones can handle at all. He has been on as a fitters' helper. He was the last man to be taken on as a fitters' helper in the department. Consequently it was thought only fair that he would be the first one to go and leave the others on. There is another man named Cody. They brought his case up. He is not an amputation case. He has a stiff leg, but I do not think it applies to this case at all. When the point came up yesterday, Mr. Myers proposed that the Committee send a sub-Committee to the factory to have it investigated, and I would be most pleased to second that proposal. I should like to have the Committee go there and investigate conditions.

The CHAIRMAN: If there are no other questions, we will go on with Doctor McKenzie who can speak as to the Carnes arm.

Witness discharged.

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Dr. K. G. McKENZIE, called, sworn and examined

By the Chairman:

Q. Mr. Parkinson has explained the position you hold so that we can go right into the matter.—A. My information from what I know about the Carnes arm, has been gained by four years' experience in observing it, and I am quite convinced that, for the single-arm amputation, the Carnes arm is useless. We have settled that on our own observations in Canada. We issued a number of Carnes arms about two years ago and they did not prove at all successful. That has been the experience in England I know. I do not know of any other countries. Now, with regard to double amputation, there are only six of them in Canada, and I have no personal observation of the value of the Carnes arm in double amputation. The ruling there for double amputation has been made by Col. Starr, and he is basing his ruling on his own personal observation and information which he gained in England.

Q. Do you know how your own standard arm works in double amputation cases?—A. This man Hall, who was up yesterday, was seen by Mr. Parkinson a few months ago at the Christie Street Hospital, and at that time Hall stated that he was perfectly satisfied with the arm, that he could feed and shave himself. At present he says that is not so.

By Mr. Copp:

Q. Was that the man who was here yesterday?—A. Yes.

Q. How long ago was that?—A. How long ago was it, Mr. Parkinson?

MR. PARKINSON: Is this in connection with the statement made by Mr. Hall.

WITNESS: Yes.

MR. PARKINSON: I cannot remember exactly. It was about six months ago. I was in the orthopaedic factory in Toronto, and Hall was up there. We were having some adjustments made to our work arm, and I asked him how he was getting on with his limb. I was just making a cursory visit, and I went up to him. He had both arms off and his appliances on. I asked him how he was getting on, and he said he was getting on very well, dressed and shaved himself;—getting on well, except he could not tie his boots. He could lace them, but not tie them. He had a dress arm on yesterday, but he is also supplied with work arms which are a different kind, but he fed himself and got on very well. Yesterday he came into my office with Mr. Dobbs and Mr. Myers and the other chap,—I have forgotten the name. I remembered him and asked him how he was getting on, and he said he was not getting on very well, that he had difficulty with his arm. So I said:—"Well, at the time I saw you, you were getting on very well," and he said yes, but that he could not make the arm work well now. He may be quite sincere, and perhaps he cannot make them work.

By the Chairman:

There was some complaint that the work arm needed constant repair on account of wearing out the pulley cords.—A. It has been my personal experience that our arms do not require the same repairs as the Carnes arm. I am basing that opinion on my observations on the number of Carnes arm that have come in to be repaired, and which men have thrust aside because they have so often to be repaired. It stands to reason that the Carnes arm, which has some 200 parts,—as complicated as a watch,—would need more constant and difficult repairing than our simple arm.

By Mr. Wilson:

Q. According to Mr. Hall yesterday, he can do things with the Carnes arm that he cannot do with the arm supplied now by your department. Would you care to make

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any statement on that?—A. I cannot express any opinion on that. I have had no experience. I believe Col. Starr is the only one who has been able to make any observation of the use of the Carnes arm and double amputation. We have all had plenty of opportunity of making observation on the use of the Carnes arm in single amputations, and we are quite satisfied that the Carnes arm for single amputation is of no value.

By Mr. Green:

Q. On what do you base that?—A. I say that because it has been my experience that the men who have been issued Carnes arms have brought them in and taken out our dress arm in preference to it and let the Carnes arm go. The reason for it is, that a man with a single amputation wears either one of two appliances; either he wears a dress arm or a work arm, and for a work arm it must be a hook. There is no doubt about that. Very often it is a special hook for a special job. When you come down to the dress arm, which is a Carnes arm, a single arm amputation will not use an artificial arm for anything. He uses his good arm. He may use it to take out a cigarette or a match, but he will not use it for other things. Why should he? All a dress arm is good for is to fill a man's sleeve. It is for looks.

By Mr. MacNutt:

Q. Why does this double amputation case want this arm?—A. He wants it because he thinks he can do more with it.

By Mr. Edwards:

Q. If he thinks he can do more with it why not let him have it?—A. There are only six double amputations.

Q. I would give him an arm every week if he wanted it.—A. Colonel Starr, of course, made that ruling because he does not think a man can do more with it. If the Committee feel that it would be good policy to recommend it on compassionate grounds for double amputation, there are only six of them, I think it should be quite settled that it is only for double amputations.

The CHAIRMAN: The feeling of the Committee is that any experiment may be considered that would give any possible assistance to the man who has lost both arms.

By Mr. Arthurs:

Q. Have you any of those arms available at the present time?—A. They are very easy to get.

Q. Possibly the department has some now?—A. No, the Carnes arm has to be built specially to each individual arm.

By Mr. Edwards:

Q. At your factory, can you make any necessary repairs to the Carnes arm?—A. Only very necessary repairs such as the control cord and things like that. The inner mechanism we cannot touch. It is cheaper to have them repaired outside than in our experimental shop. The experimental shops are the only people capable of handling them.

By Mr. Nesbitt:

Q. Where is the head office located?—A. In Philadelphia, I think. They have a branch in Toronto. They did have but I do not know whether it is there, now. All the arms for repair have to be sent to Philadelphia, and they will be away from six weeks to two months.

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By Mr. Edwards:

Q. What is your opinion in regard to the weight of that arm?—A. It is a very heavy arm. It is heavier than any arm that we make. It is heavier than the arm with a hook, and the weight is down at the hand, which makes it still more heavy. That is the chief reason why single amputation cases have discarded it.

Q. I can hardly understand single amputation cases not wanting it.—A. If there is any man who will make use of the Carnes arm, it is the double amputation. It is a "trick" arm, and a single amputation will not learn the "tricks." He has one good hand to do all the movements.

By Mr. Caldwell:

Q. I think we are all agreed that the single amputation cases should not get it.—A. You should be very definite on that. There is no use in going over that ground again. It has been very thoroughly taken up both in England and in Canada. Unless a definite arrangement is made a number of single amputations may want it.

By the Chairman:

Q. Even with the experience which you say they have already had?—A. Exactly.

By Mr. MacNutt:

Q. I thought you said they did not want it?—A. Some of them would want it.

Witness retired.

The Committee adjourned until Thursday, April 21, at 11 a.m.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

THURSDAY, April 21, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. Nesbitt, Vice-Chairman, presiding.

Other Members present: Messrs. Arthurs, Brien, Béland, Caldwell, Cooper, Copp, Douglas (Stratheona), Edwards, Green, MacNutt, Morphy, Nesbitt, Savard, Spinney, Sutherland, Turgeon, Wilson (Saskatoon),—17.

The ACTING CHAIRMAN: The Chairman was called home suddenly and I am taking his place this morning.

The CLERK: I have here a report from the Canadian Patriotic Fund relating to Mrs. C. F. Pryce of London. This was the case referred to the Patriotic Fund for financial assistance. There is also a report relating to the case of Mrs. T. M. Ansell of Montreal. That also was a case referred to the Fund for financial assistance.

The ACTING CHAIRMANS These were special cases referred to the Special sub-Committee, and as they were out of our jurisdiction we referred them to the Patriotic Fund.

The CLERK: There is also a report from the D.S.C.R., relating to the case of A. H. Gerner. It relates particularly to vocational training. The man was given an extended course.

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The ACTING CHAIRMAN: This was another case that was referred to the D.S.C.R. The man made application for training. Do you wish the letters written by Mr. Morris of the Canadian Patriotic Fund read?

Mr. GREEN: They should go back to the Special sub-Committee.

Mr. MORPHY: Do I understand that you have letters from Mr. Morris dealing with those cases?

The ACTING CHAIRMAN: Yes. We wrote Mr. Morris in connection with them.

Mr. MORPHY: And he has reported on them?

The ACTING CHAIRMAN: Yes.

Mr. MORPHY: Then I would like to hear them.

The CLERK read the letters from Mr. Philip H. Morris, Executive Secretary of the Canadian Patriotic Fund, relating to the cases of Mrs. C. F. Pryce and Mrs. T. M. Ansell; also a letter from P. W. K. Robertson of the Department of Soldiers' Civil Re-establishment, relating to the case of A. H. Gerner.

On motion of Mr. Morphy, these communications were referred back to the Special sub-Committee.

The ACTING CHAIRMAN: This morning we have the pleasure of having two ladies present as witnesses, and I am sure the Committee will agree that is a variation that will be very pleasant to us. They represent the I.O.D.E. of Winnipeg, and are Mrs. G. D. McKay and Mrs. John E. Currie. Mrs. McKay is president of the I.O.D.E. of Winnipeg, and Mrs. Currie secretary.

Mrs. G. D. MCKAY and Mrs. JOHN E. CURRIE, called, sworn, and examined.

The ACTING CHAIRMAN: Mrs. McKay will speak first.

Mrs. MCKAY: Mr. Chairman and gentlemen, I feel a little shaky in appearing before such a gathering, but I think as the time goes on I will feel better. I have come to tell you a bit about our I.O.D.E. Home that we have had in Winnipeg since 1915. We have cared for a great many men, and we feel that we have a great many more to care for. As the time goes on the care will become greater. I presume that a great many of you gentlemen do not know anything at all about our Home, although the doctors at the rear of the room and Major Andrews do. They are quite familiar with our work. When we first opened the Home,—possibly you would like me to give you a short sketch of our Home,—when we first opened the Home in February, 1915, we then had over 20,000 men in khaki in Winnipeg, and there was an epidemic of influenza going on, and in some barracks, as a great many of you will know, they had not suitable accommodation for those boys. As the Daughters of the Empire thought it their duty to care for those boys, we at once started out to open a convalescent home for possibly three months. We obtained permission from the late General Steele, and when I went to approach him he said, "Well, what is your object?" I said, "Just to care for our boys and bring them back to health, to nourish them and get them back to their battalions as soon as possible." We did so. We opened a home on 18th February, 1915. At that time we thought it would be only for three months, but it is over six years now since it was opened. We have cared for thousands, and I think we have given them possibly a little bit of motherly touch and human touch, where other organizations would fail. We do not want to take the duty or obligation from the Government. We have come to assist you and to assist our men, as the years go on, back to health if possible. We want to try and give them a little vocational work along with our work. It is not an old soldiers' home. That is furthest from our thoughts. We want to get a place with land and have some cows, pigs and poultry, and a garden and all that, and as the boy is fit, we will ask him to

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come out and assist us in this work. I think that the more you keep men and boys occupied the better for them. Boys are apt to get into mischief if they are unoccupied, and we have had a great deal of experience along that line with our boys in our Home. We have had some who are cabinetmakers, and they have repaired the furniture as it was broken and done all sorts of work, but our location, we find, is not suitable now for the work. It is placed in the Immigration Hall in Winnipeg, as possibly many of you know, and we require a place where there is ground, as I said before. If you would be good enough to grant this to our S.C.R., and give us the internal management of the Home, and possibly the external management, I think possibly we might make a great success of it. We have had a talk with Dr. Arnold, and he thinks along the same lines as we do. We do not want to keep men in idleness if it is possible to give them some work to do.

By the Acting Chairman:

Q. Do I understand that you want the Government to buy a place and erect a building for the purpose of keeping these men after they are discharged from the sanatoria?—A. I am not in a position to dictate to the Government.

Q. I am not asking you to dictate; is that what you want?—A. We would like a place similar to Deer Lodge which is now used by the D.S.C.R. for the same purpose.

By Mr. Copp:

Q. Do you want to buy this place or do you want to rent it?—A. I think it is rented.

By the Acting Chairman:

Q. It is now used by the D.S.C.R.?—A. Yes. We want to assist you in caring for those men. As you know, as the months and years go on, those men will have to be cared for.

Q. Is your particular body taking any part in the care of the men so far as Deer Lodge is concerned?—A. No, our body has nothing to do with Deer Lodge whatever. We are down at the Immigration Hall. We would like to expand by getting the Government to assist the D.S.C.R. and in the internal management. I think we could prove to you possibly that we are justified in asking for the internal management of a Home of this kind.

By Mr. Douglas:

Q. Are all the buildings of Deer Lodge occupied by the D.S.C.R. at the present time?—A. That I cannot say. I am not going to say anything about a place I know absolutely nothing about.

By Hon. Mr. Bédard:

Q. Do you know whether there is sufficient room there for those who require the assistance that you offer?—A. There would not be sufficient room there at the present time to accommodate all the physically unfit men, but we have plenty of ground there that with very, very little expense could be made suitable to accommodate all.

Q. I am referring to Deer Lodge?—A. Yes.

Q. That is what you were speaking about?—A. Yes.

Q. And you do not believe there is sufficient room to accommodate the men who would require assistance in your line?—A. No. It might be at the present time, and still I do not think it would, because there is quite a number of men at Tuxedo. I think possibly there is somebody in the audience who might be able to give you a clearer statement about Deer Lodge, because I never like to say anything about a thing not directly under my management, and the I.O.D.E. home is under my management. We have had the endorsement of the National I.O.D.E., the province of Manitoba, the

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Municipal authorities of Winnipeg, and also the endorsement of the Women's Canadian Club, the Provincial, and Dominion Commands of the G.W.V.A. as well as the local in Winnipeg, the Army and Navy Veterans, and the Kiwanis people; they have endorsed our resolution, and when we thought it necessary to come down and appeal for ourselves, we got the endorsement of the L.O.D.E.

By the Acting Chairman:

Q. Do we understand that you take care of the disabled, no matter how disabled?

A. Yes, I think so.

Q. Whether tuberculous or otherwise?—A. Well, we could not in the present building. I always thought the tuberculous should have buildings by themselves. Am I not right, doctor? We could not very well put T.B's in with the other boys unless we have suitable accommodation for them.

Q. It is more the other class?—A. Yes. If we had sufficient grounds and buildings we would care for them all.

Q. Have you considered what the cost of your proposition would be?—A. Well, we could not say, only what it has cost us in the past.

Q. You are asking for buildings and land. Have you considered the cost?—A. I think I would like the D.S.C.R. to take that up, because we are working under them.

Q. You would not care to give an opinion on that?—A. No, because I have not gone into it. I have an idea what we could get a property for.

Q. You have a property in your mind?—A. Yes.

By Mr. Copp:

Q. How many returned men can you accommodate now?—A. We can accommodate 75. We had 51 yesterday, I think it was. My secretary-treasurer keeps an accurate account of everything, so that if I make a little mis-statement, I hope you will pardon me. She has the figures, she can give you the data and everything. We have kept a menu book ever since we opened our home. We have kept a day book ever since we opened our home, and we can give you the cost per meal every day, and the number of meals given from that day. We have it all here if you would care to ask for it.

By Mr. Morphy:

Q. I would like to ask you two or three questions to develop this and understand it more thoroughly. You said that as time goes on the care will be greater. Will you explain that please?—A. Well, in this way; we have a great many men who are amputation cases.

Q. You might sit down, Mrs. McKay.—A. I feel I can see you better standing up. We have a great many amputation cases, and as possibly you are aware those cases become inflamed and more operations are required. We have one boy in our home, a double amputation, both legs off, and I think he has just had his eighteenth operation. You see that year after year that is going to increase.

Q. You mean that class of case will increase?—A. They will come back into the Home, and eventually they will have to be cared for entirely. When this boy's legs were healed he was able to take a position, and went to his position with two artificial legs, but they both became inflamed, and he had to go in and have a piece taken off both of them. One amputation is quite a bit above the knee and the other below the knee. Then, the mentally deficient cases have to be taken care of, and of course as the years go on these men will get older. It is not an old men's home we are asking for, it is a young men's home.

Q. Which will be followed by an old man's home?—A. It will take many years for that. All our boys are young now.

[Mrs. G. D. McKay.]

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Q. You made the remark that when a boy is fit you will ask him to come up and help. What do you mean by that?—A. In our garden. If we get the managment of a place like that, we would have a garden, cattle, cows, pigs, etc. My idea is, that we would have the boys manage this department and give them occupations.

By Mr. Green:

Q. The actual patients?—A. Yes, because a lot of them could do work like that, who are not able to go out and earn a living in any other way.

By Mr. Morphy:

Q. And giving them occupation; you would give them pay?—A. We could pay them of course. I think it would be better to pay them, because it would make them feel that they were earning, and when they got to believe they could do better outside, they would naturally go out and get a position where they could earn more.

Q. You are claiming that by pursuing that policy you could give them employment, and that you could free them from nervousness and make them better able to go outside and get work?—A. Yes, the human touch and the motherly attention which they would not get in any institution run by any organization.

Q. Do I understand the treatment there is really designed to affiliate with the D.S.C.R. and become a part and parcel of the activities of that board?—A. Oh, certainly.

Q. That is the idea?—A. Certainly. We do not want to take it from the D.S.C.R.

Q. Would you feel, as a lady who has taken a great deal of interest, as I am informed, in the work of soldiers' care, that that would be a good thing at Winnipeg, and would also be a good thing in every large centre where soldiers are in great numbers?—A. Yes, I think it would be.

Q. Would you approve of the system being applied all over Canada?—A. I would not like to say anything about that. I cannot say about the other provinces at all. We have only started now, and we have carried on so successfully that we are still ready to carry on the good work. As I stated to Senator Loughheed some years ago when I approached him, there is no work too heavy or too great for the Daughters of the Empire, and I am pleased to say we have not tired in our well doing, although we have worked very hard for six years.

Q. May I ask you this question,—and you may or may not be able to answer it.—You will agree that, having regard to the activities that your society proposes, in addition to that, there will require to be an old men's home some day?—A. Well, I may not live to see the old men's home. It eventually will happen. We will have to look after these men as long as they live. As I understand in the old men's homes across the line, they have never given them very much occupation; they might have when they were young men. That I cannot say.

Q. Suppose money was expended in the propagating of the activities that you desire to see taken under the Government wing, would not buildings, lands, and so forth that you propose to purchase, be available in the event of the time coming when the old men's home will be required, because your young men will not be always young?—A. Well, the property that we have in view might not be available then.

Q. Why?—A. It might be purchased for some other purpose, and we would not be able to obtain it.

Q. There is a detail I do not know whether you would like to go into. What property have you in view?—A. We have Deer Lodge in view, that is now governed by the S.C.R., and we merely want to co-operate with them. We want to help them and also help the Government.

Q. You would extend the work into a garden, and so on?—A. Yes, that has never been abandoned.

Q. Is Deer Lodge owned by the Government?—A. No, just rented.

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Q. Who is the owner of the property?—A. I think it is Mr. Rod McKenzie.

Q. You do not know anything about the value of it, or how many acres there are?

—A. I think there are seven acres, but there is adjoining property of some 200 acres there.

Q. Where is it located?—A. Right adjoining Deer Lodge.

Q. How far out of the centre of the city?—A. It is about four miles I think from the centre of the city, just a very nice distance and very convenient to the car service, and if a doctor is called out suddenly it is easy of access.

Q. Have you any idea of the value of the 200 acres of which you speak?—A. No.

Q. Is there anyone with you who can give us an idea?—A. No.

Mr. COOPER: I am told the value of Deer Lodge and seven acres is possibly \$90,000 at the present time, but it might be obtained for a little less.

WITNESS: The adjoining property belongs to the estate of the late Lord Strathcona, called the Silver Heights. I was told that could not be sold.

By Mr. Morphy:

Q. Deer Lodge is now operating under the D.S.C.R.?—A. Yes.

Q. Are there ladies in connection with that work?—A. Yes, it is just like a military hospital.

Q. Is there any opposition from the present operator of Deer Lodge to your scheme?—A. None whatever. Dr. Arnold is here and he is at the head of it. He can answer those questions. I have not heard of any opposition between Deer Lodge and us; none whatever; it is co-operation we want.

By Mr. Copp:

Q. Where have you got the money to carry on your work so far?—A. Just from a grant, so much per man per day.

Q. From the D.S.C.R.?—A. Yes.

By Mr. Green:

Q. In short I take it your proposition is this: that the Government through the D.S.C.R. purchase or acquire in some way a property out there that is suitable, and leave the entire management to you?—A. Yes, and the external as well, if they think we can carry it on.

Witness discharged.

Mrs. JOHN E. CURRIE, examined.

Q. Would you tell us in regard to the cost of meals?—A. The appropriation that we got from the military was 75 cents a day, and then they reduced it to 60 cents a day, and immediately after the flu our hospital or our home was taken over as the flu hospital and the military gave us 85 cents a day, and when the D.S.C.R. took control they gave us \$1.25 a day, and that is what we are receiving at the present time. At first, the cost per meal per man was fifteen and a fraction cents, and for the last year it was sixteen and a fraction cents, and the highest cost of a meal for one month was in June last year, and it came up to about 20 cents per man, because we had a huge number of men in the home at that time, and the smaller the number, of course, the greater the cost. Our over-head expenses for the first six months of last year were \$62.08.

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By Mr. Douglas:

Q. Per month?—A. Per day. We had an average of something like 45 men daily in the Home. That included everything, laundry, salaries, repairs, equipment, and everything. For the last six months it was \$64 and some odd cents.

Q. When you speak of 15 cents, 16 cents or 20 cents for a meal you do not include the overhead?—A. Just the food.

By Mr. Caldwell:

Q. Just the material that goes into the food?—A. Yes.

By the Acting-Chairman:

Q. That does not include the wages of the cook?—A. The \$62.08 for the first six months and the \$64 for the last six months includes the wages.

By Mr. Morphy:

Q. At those prices that you have mentioned, what does the meal consist of?—A. For breakfast, fruit, either raw apples or oranges; bacon and eggs, bread and butter, and of course porridge, corn flakes, or cream of wheat, whichever they prefer, and tea. For dinner, there is always a soup of some kind, meat and potatoes, and one other vegetable, dessert, bread and butter and tea. The boys who are on special diet have fowl, and if they are troubled with their teeth, there is always something prepared for them.

By Mr. Green:

Q. Is all that included in the price you have mentioned?—A. Yes. For supper there is either cold meat or potatoes, or macaroni and cheese; there is always one hot dish, whether it is hot potatoes in some form, or macaroni and cheese; jam, cake, bread and butter and tea. Then we have tomatoes, celery, and so on when they are in season. We always give them hot milk and either sandwiches or bread and butter before they go to bed. In the winter we give them hot cocoa. It is in the kitchen, and they are at liberty to go and get it. They just get it before going to bed. It is an extra. It is in the general cost.

By the Acting-Chairman:

Q. It is added to the cost of the other three meals?—A. No, it is an extra. It is in the overhead expenses but not in the cost of the meals.

MR. MORPHY: Will you bring the I.O.D.E. down to Ottawa and let us have those things at those prices?

WITNESS: We might.

THE ACTING-CHAIRMAN: How would it do to get them to run a restaurant?

By Mr. Morphy:

Q. Do you get any outside donations towards it?—A. We did, when we were getting 60 cents a day and up and until after the flu. Since then we have had very little. Our donations amounted last year to less than \$50.

Q. For the year?—A. Yes. Of course, when any donation comes in, it goes into the storeroom and is added to our receiving sheet at the market price.

Q. What is that?—A. Donations coming in are entered on our food sheet. But everything, including in kind and all, did not amount to \$50, because the chapters and other organizations are turning their efforts to other things. We are managing without their assistance.

Q. You are a chapter and you take up collections I suppose, and that sort of thing? At least they do that all over the country that I know of.—A. We are not exactly a chapter. The Board is composed of a representative of every chapter in Winnipeg, and the province, if they care, send one.

[Mrs. J. E. Currie.]

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Q. This cost is very interesting. Do you supply any clothing?—A. No, we supply shirts and towels and that sort of thing, but we do not supply clothing unless the man is very destitute. We have one or two cases of men coming in with practically nothing, and we have given them clothes.

Mrs. McKAY: And towels and soap.

By Mr. Caldwell:

Q. That goes into the overhead expenses?—A. Yes.

By the Acting-Chairman:

Q. And the beds are included in the overhead expenses?—A. Yes, everything.

Q. Except the actual cost of the food?—A. In the cost per meal, that only includes the food. The overhead expenses includes everything, provisions and everything.

Q. You say that the overhead expenses amounted to \$62.08?—A. \$62.08 for the first six months, and \$64 and odd cents for the last six months.

Q. What was the average number of occupants?—A. We had for the last six months I think an average of 45. For the first six months of the year the overhead expenses were \$62.08.

Q. The average number in the house was 45, and the cost 20 cents a meal?—A. The average cost for a meal was 16 cents and a fraction.

By Mr. Morphy:

Q. What is the principle of regulation in your kitchen? Who is in charge and what do you pay for the kitchen?—A. We have a chef and two maids and there are two orderlies. There is a storeroom orderly who assists, but he does not work in the kitchen. He is in the store.

Q. What do you pay the chef?—A. \$110.

Q. Man or woman?—A. A returned man.

Q. Are all the men returned men?—A. With the exception of one who enlisted and I think in barracks contracted some throat trouble—whether it was chronic bronchitis or not I do not know. But he was unable to go. He has been with us a long time, and it was not his fault that he could not go over.

Q. Is your management going ahead or going back?—A. I think we are going ahead. The different organizations are putting on concerts two or three nights a week during the winter, and the boys are entertained to drives and other entertainments during the summer.

By the Acting Chairman:

Q. Do those different organizations subscribe anything towards your fund?—A. No, they do not. They just entertain.

Mrs. McKAY: Any donations we get have been from the Order.

By Mr. Green:

Q. On the question of donations, I suppose that the reason they do not contribute or donate is that you have sufficient money?—A. Yes. When we started out, we made requests, and that was all there was to it.

Q. Are not most of the inmates pensioned?—A. I think the majority are, but I cannot say definitely. They are mostly convalescents from the hospital waiting until they are fit to be discharged. There are double amputations, and we are a Convalescent Home at present working under D.S.C.R.

Q. You do not have to provide clothing?—A. No, unless a man comes in who is absolutely destitute.

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By the Acting-Chairman:

Q. Do these men, such as the double amputations who are pensioned, pay anything towards the upkeep?—A. No, when they are in we get that from the D.S.C.R. Whether it is deducted or not I do not know. We send in our accounts at the end of every month to the D.S.C.R., and they check them.

Q. You are really under the D.S.C.R.?—A. Yes.

Mrs. McKAY: Entirely.

By Hon. Mr. Spinney:

Q. What is your capacity?—A. We have 75 beds. We had 150 but had to give some of them up.

Q. There were as many as 75 at once?—A. Yes.

Q. How do you account for the reduced number?—A. They fluctuate.

Mrs. McKAY: Some were discharged and they go out and take positions.

By Mr. Morphy:

Q. You say there is a fluctuation in the number? What about the winter as compared with the summer?—A. There are more in the winter, in the cold weather.

Q. To what extent roughly do they fluctuate?—A. Well, last summer—this is just off-hand, as I am not absolutely certain about this—we went as low as 32. That was in June or July. Then when the fall weather came in, the boys were coming back. The doctors can give you more on that than we can. We only take what they send us.

Q. 32 would be the lowest in summer; what would be the highest in winter?—A. We had 78 one day on the strength, and some of the men had to live out. There was quite a bit of readjusting.

Q. There were 78 or 75 boys?—A. Yes.

Q. Was that last winter?—A. Yes. Some had to sleep out. There were that many sent down, and for a couple of days quite a bit of readjusting had to be done.

Q. Is it fair to say that only men come there who have a real right and a real need?—A. I think it is perfectly safe to say that, because the men are not only sent from the hospital but there is a doctor in the home, and they always come up for a medical board at the D.S.C.R., and they are not kept any longer than the medical men think necessary.

By the Acting-Chairman:

Q. You have medical supervision?—A. The doctor is always down in the morning to check up and see if the men are all right, and they have a sick parade.

By Hon. Mr. Spinney:

Q. Does he receive a salary?—A. Not from us. The D.S.C.R. will answer that.

Q. It is not included in the expenses of your operations?—A. No.

The ACTING-CHAIRMAN: We are very much obliged to you ladies. Have you anything else to add?

Mrs. CURRIE: One impression we want to leave with you is this; we are not asking to take anything away: we are simply asking to assist.

WITNESSES retired.

The ACTING-CHAIRMAN: The next item on the programme to-day is the Soldiers Settlement Board, but as we have had the ladies before us telling us a very interesting story, I would suggest that we ask Colonel Parkinson or Dr. Arnold to tell us how that place in Winnipeg is run.

Mr. MORPHY: I think the ladies convinced us that it is well run.

[Mrs. J. E. Currie.]

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The ACTING-CHAIRMAN: I meant as to the finances.

Colonel PARKINSON: We have nothing to say against the way the institution is run. We are perfectly satisfied with the operations of the I.O.D.E. in Winnipeg. They have carried on most excellent work there, and we have been very glad to take advantage of their help in caring for our men. As Mrs. McKay pointed out, we pay \$1.25 per day for a patient. It is practically the same arrangement as we have with other hospitals, to which we send patients. The D.S.C.R. supplies clothing, the nurses and servants, and a certain staff in the institution, and the I.O.D.E. are fortunate in having the place rent free with free light. They have their hospital in the immigration hall. As far as Deer Lodge is concerned, we have been operating it some years as a hospital, and we will require it or other accommodation, for some years to come. We have patients in Deer Lodge and in Tuxedo. We have 66 in Deer Lodge, somewhere about 100 in Tuxedo, and the present strength in the I.O.D.E. Hospital is about 51. We have also patients in the Winnipeg General Hospital. As far as hospital accommodation is concerned, we could not step out of Deer Lodge without getting an additional 70 beds somewhere else. The matter of the operation of the I.O.D.E. hospital in Winnipeg has always been one between the hospital and the Militia Department, up to the time the Militia Department ceased their association with the I.O.D.E.; it was originally started under the Department of Militia and Defence, and we came along and took it over.

The ACTING-CHAIRMAN: Do I understand that the patients in the I.O.D.E. are just in the same position as other men in other hospitals with their pay and allowance?

Mr. PARKINSON: Just the same. They are sent there and are taken care of by the Department. They are taken care of at the present time in Deer Lodge, Tuxedo and this place.

ACTING-CHAIRMAN: Do they take in other people from outside?

Mr. PARKINSON: No, they only had patients from the Department.

By Hon. Mr. Spinney:

Q. What is the yearly rental of Deer Lodge?—A. It is at the present time under advisement. We were getting it rent free, we simply paid the taxes, but the owner has now approached us and is anxious to sell the place, and I do not know whether the Government is anxious to purchase the additional property. We are making arrangements for rental for another two years.

Mr. MORPHY: With regard to what we have heard this morning from these ladies, would you advise the expansion of the principle sought to be applied to other centres in Canada where there is a large number of soldiers who would take advantage of the shelter or the care which would be given them here?

Mr. PARKINSON: Well, of course, I understand the idea of the I.O.D.E. in Winnipeg is to change the nature of the institution; in other words they have been operating for us a hospital; now they feel that it is time to establish something in the way of an occupational centre for incurables, shall we say, or to extend it to what we regard as problem cases. As far as the Department is concerned, we have not felt the time was yet ripe for that in Winnipeg on a large scale. As a matter of fact, we have been influenced largely by the accommodation available, and we have this accommodation all used up for treatment purposes, and we are taking care of the few problem cases, because there are not very many, and long treatment cases in the various institutions and centres we had in Winnipeg at the present time, and my own personal feeling is that the present arrangement can well go on for another year at least. By that time possibly it might be very advisable for the I.O.D.E. to take over and operate Deer Lodge in the same manner they have

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been operating their hospital at the immigration shed. As far as the other centres of Canada are concerned, I think Dr. Hart's evidence and report went into that very fully, and contained largely the recommendations of the Department in that respect. It has been felt that something of this kind should be done in all centres of Canada although not exactly a similar arrangement in each centre, because conditions vary.

Major JOHN BARNETT, recalled and further examined.

By the Acting-Chairman:

Q. You are chairman of the Soldier Settlement Board?—A. Yes. If the Committee desires I shall take up my memorandum which merely outlines the results.

Q. We will ask you to give us a statement as to what the Soldier Settlement Board is doing?—A. I have had a memorandum prepared which is in the hands of the Committee in which I have endeavoured to set forth the objects, the system of administration that prevailed and the results that have been accomplished by the operation of the Soldier Settlement Board, and I do not presume it will be necessary to run over all of the facts that are contained in this memorandum or report which I have submitted. The Soldier Settlement Act is defined in its own terms as an Act to assist returned soldiers in settling upon the land, and most of our difficulties, most of the complaints that have arisen on account of the administration of the Soldier Settlement Act, have arisen because that definition which is contained in the Act has not been fully appreciated. That is, the Board does not attempt, under the powers given it under the Act, to completely re-establish or settle on the land any returned soldier, and the contribution that is made to re-establishment in the Soldier Settlement Act is to be found in the terms of the Act very largely; and the Board in its operations has endeavoured, so far as possible, to deal with the administrative details from the point of view of business considerations rather than re-establishment. That is going on the ground that the re-establishment benefits are contained within the Act itself, and that, so far as administrative procedure is concerned, business principles should apply, and the first difficulty in administration is to properly appraise the contribution which each returned soldier must make to the venture in which the public money is being staked as well. The Act provides that a returned soldier who has no more than \$500 of personal capital may obtain credit advances amounting to a maximum of not more than \$7,500. It provides money at less than cost, and it bears all the administrative overhead, which in ordinary business the applicant for a loan would bear himself. These are very material contributions to re-establishment. But in dealing with the returned soldier applicant, the first thing the Board has to do is to determine what contribution the returned soldier is making himself to the venture. The most important contribution he can make is his practical experience and knowledge of the business he is undertaking. The man attempting to operate with entirely borrowed capital must necessarily have some physical strength and health because he cannot afford to hire labour as a man with capital of his own would be able to do, and the maximum set by the Act is only sufficient to provide actual tools with which to work; that is land, stock, equipment, seed and things of that nature. The subsidiary things, the things that make life and living on a farm easier, the man must be prepared to contribute to a large extent himself, or to go without, because under the limitations of the Act, the \$7,500 is barely sufficient to provide equipment and the necessary feed and seed that have at times to be supplied. Now, it is to the determination of these factors that the settlers themselves contribute, which are known in our regulations as qualification; that is the first step that is taken in dealing with any returned soldier,

[Major John Barnett.]

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to determine whether he is bringing to bear on the venture sufficient factors or assets in the way of experience, health and financial capital to make it worth while attempting to establish him on a farm. It is no kindness to a returned soldier to put him on a farm if the thing is hopeless from the start, and unless he possesses certain of these factors it is useless, even from his own point of view, to attempt to establish him, as well as involving a loss or waste of public money.

By Mr. MacNutt:

Q. Has it been the policy of the department to see that they are qualified before accepting their application?—A. Yes, that is the very point I am taking up now, to attempt to find out whether the man is qualified or not, and in that is involved the balancing of all these factors, his experience, his health and his capital as well. All that goes into the consideration of whether he is qualified or not, the balancing of them all. In one case the Act recognizes that a man who has had a very large experience and has sound physical health can get along on less money; that is provided in the definition, and the exemption given in the Act in special cases, but that all goes into the question of qualification, and that is what the Board is doing. It is weighing and balancing all these factors in regard to qualification of the man. We have dealt with 58,765 applicants. These figures are up to the 1st of March this year. 58,765 men have been examined. They have given as references the farmers they have worked for, or farmers that know them or their capacity, and references as to other personal factors, 42,727 of these men have been granted qualification certificates; that is, they have been certified to as being eligible to partake of financial benefits under the Act. Another 693 are securing practical experience by working with farmers. We call that training, but it is not training in the sense of running training establishments. The training now is all in the shape of practical training. Training centres were all right for a short time, but they have all been eliminated, and the only training that is now recognized is practical experience. Experience is a better word than training. Very often a man is recommended for training because he is unable to give references. He has possibly migrated from the place he resided in before he went Overseas, and got a long distance away, or possibly he knows nothing about the conditions in the Province in which he wishes to take up farming, or he may be suffering from a physical handicap that may or may not be so great as to prevent him from hoping to be successful on a farm. Training is often recommended in these cases, or practical experience, and we have sent them out with farmers to gain experience and demonstrate whether a man's statements are correct or whether his physical disability is not too great to warrant him hoping for success. As soon as he receives his qualification certificates entitling him to the financial benefits of the Act, then he is able to go out and select his own land. Just before dealing with that there is one thing I wish to impress upon the Committee. While we speak in our forms and regulations of making loans, we do not make loans at all, or in a very limited degree, such as a loan company or a financial institution would make, except for the man who owns his own land, and there are only a few thousand odd who have received loans on their own property. That is by way of mortgage. Ours are not strictly speaking loans at all.

By the Acting-Chairman:

Q. You purchase a farm and stock?—A. Yes.

By Mr. Caldwell:

Q. You are the absolute owner?—A. The absolute owner of the stock and equipment. That involves a great deal of administration work for the reason that we have no security for the stock and equipment that we finance, except for the stock and equipment that we buy. There is no margin of security. There is a 10 per cent

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security on the land, but none on the stock and equipment. The stock is security for itself, and consequently if the stock is not worth the money we pay for it, or if it does not exist, we have no security.

Q. You have security in this way, you have all the increase of stock?—A. Yes, we have the increase of the stock, that is arising from the stock.

Q. The equipment will run down?—A. The equipment goes the other way. Stock sometimes, too, goes the other way.

By Mr. Edwards:

Q. What restrictions do you place on a man disposing of any of that stock—I do not mean the original stock but the increase?

Mr. CALDWELL: He must get a permit from the Board.

WITNESS: He must get permission from the Field Supervisor who is operating nearest him in the district. We can give him permission to dispose of the increase, and may, in exceptional circumstances, ven permit him to dispose of the capital stock. For instance, in some of the western provinces, where it would take a long time to get to the district office, if the Field Supervisor finds a man without feed for his stock at a time of feed shortage, he can give him permission to dispose of it if he can get a buyer, rather than run the risk of losing by holding, even if it were the capital stock. The only condition placed on that is that all payments are made payable to the Board. If a man's loan is in good standing, and even if he may not be in good standing but shows evidence of good faith, a return of the ingreased money will be made to him. It is only held in suspense account until it is determined. If we permitted the payments to be made to the settler, even if the supervisor had given permission, it would create the impression in the public mind that the man had permission to go out and sell and say, "This is your usual custom to permit it." So to safeguard that, it has been required that when a man sells the increase or capital stock, the cheque is made payable to the Board, and then a refund is made to him. If he is operating in such a way as to warrant that being given to him. We have spent up till March last \$25,592,000 for stock and equipment that is, that much of public money is invested in movable or chattel property for which there is no security except the chattels themselves — stock and equipment, seed, feed and incidentals; everything in the shape of movable security, floating security. The security we have is represented in the shape of 37,000 horses, more than 60,000 cattle, thousands of sheep and swine and thousands of agricultural implements. The point is that the 37,000 head of horses and the 60,000 cattle had to be inspected and passed on before the money was paid over, involving a very large amount of work, and sometimes some delay. To the settler who was quite competent, well experienced, and quite conscious of his own integrity, the delays that took place while making inspection are very irritating to him, of course, but a general rule has to be laid down, or else the Board must assume that all men are honest and capable of going out and making a proper deal.

By the Acting-Chairman:

Q. Does that \$25,000,000 include implements as well as stock?—A. Yes, stock and equipment, and it includes seed and feed—where seed and feed have been supplied. The land, it goes without saying, has to be inspected as well. Up to March 1, 20,242 settlers have had loans approved. In addition, 5,308 have been settled on Dominion lands by way of soldier grants under the Dominion Soldier Settlement Act, but without loan. That makes a total of 25,550 that have been settled on the land by reason of the Soldiers' Settlement Act.

Q. What do you do for the fellows you mentioned last?—A. They have got the soldier grant. The Act provides for the reservation of lands from general settlement,

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and they have been able to file soldier grants in most cases within reasonable distance of the railways.

By Mr. Douglas:

Q. Have they had any advances?—A. All have not had any advances. But of those men are coming along from time to time and securing advances.

Q. They are permitted to borrow up to \$2,500?—A. Not necessarily. Sometimes a man would file a soldier grant in the western country after the Board had advised that he had better not file, but he has his own ideas and is determined to file on that particular piece of land. If an appraisal shows that the land has agricultural value sufficient to justify a loan it would be granted. Altogether there would have been 8,000 soldier grants, 3,000 being with loans. There are really 8,000 men who have taken up soldier grants, but 3,000 have loans, so they are included in the first group.

Q. That is the 20,000?—A. Yes. It makes the total settlement under the Settlement Act 25,550 men, but we have dealt with by way of qualification 42,000. As a matter of fact, we have dealt with nearly 100,000 men in a larger or smaller way. We have files on more than 100,000 men. In some cases we have only a few letters, in others an extended correspondence.

Q. Does it follow when the applications are approved that the men are going to take advantage of the Act?—A. Oh yes, we can sell from time to time lands that are not taken up. There are always a few. A man may change his mind after it is approved.

By the Acting-Chairman:

Q. Have you approved 42,000?—A. We have not approved that number for loans.

By Mr. Douglas:

Q. I thought you said you had approved that number for loans?—A. Not 42,000.

By Hon. Mr. Bédard:

Q. According to the sheet which you published as of January 31, 1921, there was a margin of 20,000 between the men accepted as qualified and the men who had located?—A. Yes.

Q. That appears to be a very big margin between those who are qualified and those who have located. What is the reason why these 20,000 men were not placed on farms? Was it that they refused to go there, or was it that the Branch which grants the loans did not consider their claims good or that the land was not available? What was the reason?—A. A very large number of those have changed their minds about farming. You understand that in 1919, at the time of demobilization, a whole battalion would come to the demobilization centre, and every man who had any idea of farming, and who did not know what to turn his hand to would come and get qualified. Later on he would secure employment somewhere, and now he does not want farming. About 5,000 of those are men who have got disgusted because they have not been able to get a proposition that would pass muster with the Board. That is, we have declined loan applications amounting to about 5,000 altogether. Some of those men are still trying to locate land that the Board will pass as being of sufficient quality or sufficient agricultural value for the money paid. Some of them are coming up from time to time, and some have put in three or four applications, but have not been able to get anything that the Board would approve of, and they have given up in disgust. There are others—the big bulk of them are in employment. Some of them intend to go on and apply for a loan, but most of them have not applied for loans at all, and have not put in applications. Of that 20,000 there are not more than 5,000 that have been before the Board for a loan. As regards the other 15,000, I do not know the reason.

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By the Acting-Chairman:

Q. You have settled 20,000 men on the land?—A. By way of loan.

Q. You have had 42,000 applications?—A. 42,000 accepted men, qualified men.

Q. How many of these will likely get loans?—A. We have sent out a questionnaire to all men holding qualification certificates in an endeavour to find out how many will likely want to avail themselves of the provision. That is only in process now. We have not the complete answers and only a very wild and hazy guess could be made at it. My own guess would probably be not more than 7,000 or 8,000 men who will want to take up land.

By Mr. Edwards:

Q. Suppose a man qualified, he can then go and make his own selection of a farm?—A. It is absolutely a necessity, so far as possible, that the man himself shall make his own selection.

Q. Suppose he makes his selection, and estimates its value at say \$5,000. Do you accept his valuation of it, and make your loan to him?—A. No.

Q. Suppose the farm is worth only \$4,000?—A. He cannot get the loan unless he can get the vendor to come down to \$4,000.

Q. Have you met with difficulty in such cases?—A. We have met with a number of cases, but there are some cases where we have not met with any difficulty and have brought the vendor down. We have reduced the price after the settler has gone out and driven the hardest bargain; we have cut down more than \$3,500,000 on the purchase price of farm lands. That divided among the 15,000 settlers—they were all purchased lands—means a saving for the men of more than \$240.

Mr. CALDWELL: I can corroborate that statement of the Major's. We have had that experience in New Brunswick. With regard to the question asked by Mr. Béland, I may say that I was Chairman of the Qualification Committee of New Brunswick for the first seven months, and also a member of the loan committee. We had a number of these men coming in with absolutely ridiculous propositions to buy a farm equipped with a nice house and all conveniences, which would not produce anything, and we have had them come back two or three times, and a number of these men were turned down for the reason that they would be convinced themselves after a while that they did not know enough about farming to make it pay. They would come in with the idea that the Government was making them a present of the farm to begin with, and they thought they had better select something pretty nice, but they had no idea of production at all.

By Hon. Mr. Béland:

Q. This is a delicate question, but I think we should clear it up. I understand that a share of the loan is not protected by security, that share which goes for stock and equipment?—A. Protected by the security itself; that is the only thing.

Q. Is there any evidence in your department that frauds have been committed by men having received a loan for stock and equipment, and having afterwards disposed of that stock and equipment?—A. We have 1,331 failure cases at the present time spread over Canada; that is, they are not strictly speaking failures. When I say failure, I mean the men have abandoned, for one reason or another, their plan to go on the farm. That represents six and two-thirds per cent of settlement we have made.

By the Acting-Chairman:

Q. They have taken up the land, and you have made loans, and they have abandoned it?—A. Yes. So far as our analysis goes, and as far as we have been able to make the analysis, there have been 32 cases where men have fraudulently disposed of the Board's property.

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By Mr. Morphy:

Q. Chattel property?—A. Yes. In some cases they are over in the United States. They were situated along the border line. There were half a dozen men convicted in the law courts of fraudulent dealing. Only last month a man was sentenced in Winnipeg. Another man was sentenced in Saskatoon not long ago, and another one in Winnipeg last summer was given two years, but in that case it was on suspended sentence. In the more recent cases the men are actually serving some terms of imprisonment arising out of their dealings. The men who are actually serving a term for misappropriation or wrongful conduct got very light terms. The court treats them fairly leniently as far as the sentences are concerned, but there are 13 other cases where men have committed crimes of other sorts in connection with their dealings, making a total of 40 odd cases, out of the 1,331 we have had.

By Mr. Douglas:

Q. In your statement for 1921 you only show 179 adjusted cases?—A. Those are completely wound up and closed up. It takes time to close a man out. He has to be given notice and has to have time to put in his defence if he wants to put one in, and the stock and equipment has to be appraised and re-sold, or held in some cases for a better opportunity for selling, and the land has to be put up for sale, and the land is not put up for sale until the stock and equipment is sold, because we are trying to realize on our stock equipment wherever we can by getting an increased price on the land. We do not always do it. Sometimes it is sold at a loss, and in other cases it is sold at a profit. All cases of sales to civilians have to receive the approval of the minister. Day before yesterday six cases were submitted to him for re-sales of salvaged property, some of the 1,331 we are now getting cleaned up, and every one of them involved really a small profit on the land, enough to clean up the loss on stock and equipment and everything, and they were all sales made to civilians, on civilians' terms.

By Hon. Mr. Spinney:

Q. Have you a memo. of the losses in these cases which have been settled?—A. I could not give you a detailed memo.; 184 have been completely disposed of and foreclosed. On those there is no loss whatever in the aggregate. We have managed to get out with a whole skin.

By Hon. Mr. Béland:

Q. Are the 32 included in that?—A. The 32 would not all have been disposed of at this time; at least I imagine they would not be.

Q. And in many cases it would be impossible to attempt to recover the money. The men have gone away, and the stock and equipment have been disposed of, and there is no profit on the sale of the land?—A. We would lose unless we could repossess.

By Mr. Caldwell:

Q. If you can identify the personal property it is yours?—A. Yes.

Q. The only trouble is the identification of it?—A. Yes, wherever we can follow it; of these thirty-two cases of fraud, in a great many cases we have been able to follow the goods and take them because they are our property. We have a lien on them until they are paid for. In other cases, if you are dealing with swine and poultry and that stuff you cannot identify it.

Q. Your horses and cattle are branded?—A. Branding was started too late. We only got started with it and a lot of settlers object to branding, and where a man is making payment promptly and giving other evidence of honesty and sincerity we are

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branding more or less slowly because unless we put on a tremendous expense it is not practicable always. We went on for two years without making provision for branding.

Q. It was not made in the beginning?—A. No.

Q. How are you doing it?—A. The field supervisors are attending to it.

Q. They are in a good position to know whose stock should be branded?—A. Yes; they are mixing among the settlers all the time. If they find a man whose good faith they suspect they brand his stock.

By Mr. Morphy:

Q. What is your system for ascertaining the whereabouts of property that has been fraudulently disposed of?—A. Well, only by means of a field supervision staff, and we use the Mounted Police when we are able, but we never use them until we find something, or have got to repossess ourselves of something. It is practically done by the supervision staff.

Q. Have you sufficient staff for that?—A. There is one supervisor on an average to every hundred settlers.

By Mr. Caldwell:

Q. He has a certain area?—A. Yes.

Q. And goes to it so often?—A. Yes.

Q. In close touch with these people?—A. Yes, because every time they want to sell, increase, or get additional money for any purpose they apply to him, so that he is in contact with them all the time.

By Mr. Morphy:

Q. To what do you attribute these fraudulent disposals?—A. Just human nature.

By Mr. Caldwell:

Q. General cussedness?—A. You cannot deal with twenty thousand men without finding some duds among them. You are bound to get them.

By Mr. Morphy:

Q. It may be human nature, but I thought there might be something deeper in the concrete?—A. I do not know of anything.

Q. Are there complaints from soldiers of unfair treatment or unfair conditions imposed or anything of that kind or unfair action of the Department, or inattention to the soldier's suggestion or to correspondence? These might make for discontent.—A. Well, certainly there are complaints.

By Mr. Green:

Q. Not particularly from the class that are defaulting?—A. No; a lot of defaults are from men we have never heard from in the shape of complaint. The man who makes the greatest complaint often is the good man, where the rules bear hardly on him. Take the good man who is conscious of his own ability to go out and buy stock and is equally conscious of his own integrity, the regulations that are imposed to safeguard the twenty-five million, to safeguard this security, are very irksome to a man of that type, and there is no way to get around it, unless you swing the door wide open.

By Mr. Sutherland:

Q. You have qualified and will place over twenty thousand men on the land. Do you find the same keenness on their part to be placed on the land now that the farm produce has been reduced very much in price?—A. We can hardly tell you that

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because the collapse in farm produce came last year comparatively late in the fall. It came in the middle of harvest. During the winter time we do not establish men as a rule and it is only opening up now, and it will take two or three months to see how big the dropping off will be.

Q. You have not noticed it?—A. No; we are just beginning now to start our loan business for the present spring.

By Mr. Douglas:

Q. In connection with your department in the purchase of land, I understand that the department requires a percentage of 10 per cent down on purchases made. A case arises such as this, where the 10 per cent is arranged between the vendor and purchaser, by which the purchaser is not liable in any way for that 10 per cent. Does the Board recognize an arrangement of that kind?—A. Well, of course we have had to watch that pretty carefully, because when I was working with the Board in another capacity, when I was a field man, working in the field, there were several cases where some of these thirty-two men having arrangements with the vendor in the early days of the operation, where not only there was no repayment, but we were paying that much more for the land really.

Q. Take a case where the Board is satisfied with the price; the man did not have the percentage the regulations require he should have, and his father guaranteed by way of a note the 10 per cent, for which the purchase is not liable in any way in a case of that kind would your Board recognize that arrangement?—A. Yes, they do.

Q. I have a case where they did not recognize it, and they told the man to put up the 10 per cent in cash even although he was not liable?—A. He may not have got sufficient acknowledgement from the vendor. We do require an absolute receipt as far as that is concerned for that money.

By Mr. Caldwell:

Q. That is the vendor would not accept this note?—A. Yes.

Q. You certainly would not accept it?—A. No. If he will give a receipt that he has received that money on account of that purchase price, we will accept it.

By Mr. Douglas:

Q. Is it necessary now that a married man should put up the 10 per cent?—A. Yes, it is necessary, there is practically no exception.

Q. There was a time when the married man did not require to put it up?—A. Under certain conditions, but as to that the terms of the Act are what governs and ordinary business instincts would also enter into it. The Act laid down that a special settler may be exempt from the 10 per cent, and that is the only man we have any right to exempt from the 10 per cent. Now a special settler is defined as a man who has extensive and successful farming experience; that is that he has had successful farming experience before he came up for this application on his own hook. That means that he must be what we call in the terms of our regulations a grade "A" man, and as our regulations are now the 10 per cent will not be waived unless he is a grade "A" man. The thing is that the man who has got an extensive experience, has good health, and general fitness, has a chance of coming out on top, even, although he may not have as much money to put into the venture, if we follow the terms of the Act, which we must follow—

By Mr. MacNutt:

Q. Did you say that the returns were for 1921 and not for 1920?—A. That is a clerical or typographical error.

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By Hon. Mr. Bédard:

Q. Do you foresee that there will be a bigger failure in the repayments up to November next than last year?—A. You mean this coming year?

Q. This year, up to November next.—A. It is hard to say. The collapse in the prices of farm products last year hit a business such as this, or an effort such as the Soldier Settlement a very bad blow; there is no question about that; because our men all bought seed at the top price, they bought everything they had to buy at top price, and right in the middle of their harvest the bottom went out of everything, and there was nothing left. Personally, I do not think it will be much worse this coming year than it has been this year; because, although prices may be anything but desirable, yet they are going to pay for their seed and for their operating expenses this year very much less. More than that, we are making every endeavour to keep the man on his feet so that he will have his payment ready. The Field Supervisor has been given a list of every man's payments in his district. If he has 100 men in his district he knows what every man has to meet in the fall, and if he looks at the man's farm and the prospects indicate that he is not going to keep on top, it is up to the Field Supervisor to make a recommendation away in advance as to what will be done to try and keep the man going, the idea being to pull as many of them through as we can. Those who can not will have to be considered when the fall comes.

By Mr. Edwards:

Q. Have you had many requests from settlers asking for an extension of time for payments, and if so, what consideration has been given to them?—A. Our latest collection returns will show you how many would require an extension. On 1st October or 1st November our payments fall due. We have a standard date. That is not provided in the Act. It is a matter of regulations. We sell a man land at all seasons of the year, starting in from April and running right through, but we have a standard date for payments, October 1, for the west, and November 1 for the east. That was fixed two years ago when the Board first started operations. Last fall we had many owing payments. A considerable number of payments fell due on October 1, last, or November 1. They amounted to 12,361. That was the number of men that had payments owing. Of these men 10,130 men have made payments, either in whole or in part; that is, 10,000 men have shown not only good faith but capacity as well.

By Mr. Wilson:

Q. Have they paid all that was due on that date?—A. Not all that was due. Some have paid only part. Some have paid all that was due, and some have made only partial payments. Some have made pre-payments, money that was not due at all.

By Mr. Edwards:

Q. Suppose that a man on 1st October, had a payment to make, and he paid 75 per cent, then comes the drop in prices and he is unable to make the full 100 per cent payment. What course do you pursue with regard to that man? Do you carry the 25 per cent over till his next term?—A. We carry it, not necessarily over the whole year.

Q. You mean that you give him an extension?—A. We grant him an extension. For instance in Ontario, very often a man puts off farming in the spring, he has got hogs, we say "we will give you till April." If he comes in April and says he cannot do it, we give him until the Fall. Our agreement provides for a 7 per cent accelerated interest if he fails to pay. But for the present our regulations lay down this: We are not charging any man that 7 per cent on his land even although he is in arrears. We are not penalizing him in other words, for not making his payment. We are carrying it at 5 per cent though the agreement calls for 7 per cent.

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By Mr. Caldwell:

Q. It costs 7 per cent on arrears?—A. On payments that he fails to make. But we are not exacting that for this whole year coming but at the next due date. The man with stock and equipment also gets an advantage. Stock and equipment, as every practical man knows, is a pretty hard load for the ordinary man to carry. You give a man a loan of \$1,200 in June, we will say. He probably does not put all his \$1,200 in stock. He may put \$600 in. That is dealt with as one loan. It is amortized, and the first payment of that falls due in two years' time. We treat that \$600 as one sale. It comes to November and he buys some more stock. In the spring he buys more. We amortize everything between 1st October this year and 1st October next, as a second loan.

Q. Although that is part of the original authorized loan.—A. Yes.

Q. It is only figured from the time it is extended?—A. Yes, and only amortized from the standard date, when we come to 1st October or 1st November.

By Mr. Morphy:

Q. As from that date?—A. It is amortized on that date for the period of four or six years, whatever the period is for the stock and equipment. It gives him for his subsequent purchase an extra year before he makes payment. The \$600 is amortized, and a proportionate part falls due in two years' time. Supposing there is \$600 carried on till 1st October and he makes a purchase during the first two or three weeks after that, that is amortized as from the next October as another loan.

By Mr. MacNutt:

Q. The stock and equipment are amortized?—A. The stock and equipment are amortized. Under the amendment passed last year it is divided into six equal parts and except on improved lands he has two years' free interest instalments. He has really eight years' time to pay on stock and equipment, and on purchased lands both improved and unimproved. But in regard to Dominion lands there was no amendment made last year, so that a man on free lands has to pay in six years, that is in four instalments.

By Mr. Caldwell:

Q. Loans granted previous to this year are payable in six years?—A. Yes, only the business done up to last year.

Q. Is it also true that under the amendment of last year they pay interest from the date of the loan on stock and equipments?—A. No, they do not.

By Mr. MacNutt:

Q. What percentage of those from whom payments are due have paid in full?—A. I cannot tell you.

Mr. MORPHY: According to this pamphlet there are 300.

By Mr. MacNutt:

Q. It says "made re-payments," but it does not say that all these payments were in full. There may have been only \$5 or \$10 or \$15.

Mr. WILSON: There are 300 according to this statement.

The ACTING-CHAIRMAN: Let him answer Mr. MacNutt first.

WITNESS: We have not separated in our return those that have made payments due in full. 51.1 per cent of the actual due payments have been paid, that is in money. 50 per cent of the money due on those payments has been paid. In addition, another \$700,000 was paid in advance. That is, a man who did not have payments

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due, paid before it became due. That is, we offered an inducement last year to any man, particularly in the west, who had a fair crop; in other words we established him with a credit of his own if he would pay off a proportionate part, the idea being to give him an inducement to pay more. We had outstanding, owing last year, falling due \$2,231,000. We had actually received as the result of our collection \$1,953,000, or 84 per cent.

By Mr. Wilson:

Q. Included in that collection would there be a number of men who went on unimproved land? I mean in that 84 per cent?—A. There would be. Any man who went on before 1st October, 1919, and went on unimproved purchased lands. There would be no payments from men who went on Dominion lands. But there would be from men who purchased.

By Mr. MacNutt:

Q. In what parts of the country were they most successful in repaying?—A. Prince Edward Island holds the banner for collections. Of course, their settlement is very small. 91 per cent of the men in Prince Edward Island paid practically on the due date. In Ontario, 80 per cent of the men have made their payments, not counting pre-payments. In Nova Scotia 76 per cent have made their payments; in New Brunswick 69 per cent; in Winnipeg 53 per cent. These are not counting pre-payments. In addition to these there have been a large number of pre-payments.

The ACTING-CHAIRMAN: Might I suggest that you prepare a table showing the repayments by themselves and the amount of them and also the full payments as asked for by Mr. MacNutt. You mixed up the small half payments and quarter payments to make a certain total, which does not give us an idea how many men paid their instalments on the first November last.

WITNESS: 339 settlers have paid their loans in full and that is dealing with another class—these men who have paid off their entire loans.

The ACTING-CHAIRMAN: You might complete the figures you are giving?—A. Manitoba 53.5.

By Mr. Wilson:

Q. Saskatchewan?—A. I can only give it by each district. I have not it by provinces. Prince Albert 42.1, Saskatoon 49.4, Regina 49.8, Edmonton 44.4, Calgary 36.5, Vernon 48.2, Vancouver 34.6, and Victoria 31. However, that is not the percentage of money we have collected in. The percentage of money we have collected in is much greater than that.

By the Acting-Chairman:

Q. But it includes prepayments?—A. Yes, that is, men who have made an effort and have paid off in advance. It does not include the man who paid off his loan in full.

By Hon. Mr. Béland:

Q. What is this percentage?—A. That is the percentage of the due payments that have been paid. The man that had \$200 to pay came in and paid \$200 or paid \$100 on account. That is included in there, and another man pays \$200 he owes and \$400 additional. He is able to pay that and pays it.

By Mr. Sutherland:

Q. What is the percentage for British Columbia?—A. I can give you it; 31 Victoria, 34 Vancouver, 48 Vernon.

[Major John Barnett.]

APPENDIX No. 2

By Mr. Douglas:

Q. In connection with your repayment, you collect your payments or they become due in Western Canada 1st October, and in Eastern Canada 1st November. Should those conditions not be reversed?—A. We who were operating in the field all thought so. I am speaking now as a former field man of the Board in the West. We all thought that that should be done. I pressed it upon the late chairman, Mr. Black, as strenuously as I could when I was a field man, but I have changed my mind since then, and I am satisfied that October 1st is all right, for this reason: that if we make it December we have got to be content with coming in last. We are the last people that are going to be paid. We are not driving anybody in the matter, but we have in the Saskatoon district two or three cases where men have had a fair crop and have gone to the elevator as quickly as they could, and they got rid of it October 1st and they said "we have enough out of this farm, we are gone." We had three cases in the Saskatoon district, and that is the real reason I understand that it has been done. I have changed my mind on that point. I used to believe the day should be December 1st or January 1st.

Q. A great many of these farmers could not get their threshing done in that time?—A. No.

By Mr. Caldwell:

Q. You do extend it?—A. Yes.

By Mr. MacNutt:

Q. The men who paid their loans in full, 320. I would like to know what localities they were in?—A. I can give you that just in a moment. We have divided them into two classes. Those who have repaid and are still continuing farming and those who have sold out and giving up farming.

The Committee adjourned until 11 o'clock to-morrow.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

FRIDAY, April 22, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and the Re-establishment of Returned Soldiers met at 11 a.m., Mr. E. W. Nesbitt, Vice Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Caldwell, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Savard, Spinney, Turgeon, White (Alberta), and Wilson (Saskatoon).—15.

The CLERK OF THE COMMITTEE: I have a special case submitted by Mr. Gould, which will be referred to the Sub-Committee.

The ACTING CHAIRMAN: The Chairman ordered a book from the Bureau of Applied Science, which cannot be paid for without an order. A resolution has been prepared,—

"That the Canadian War Mission, Washington, D.C., be paid \$2.50 for a copy of the revised edition of Bulletin No. 7, published by the Bureau of Applied Science, which has been received by the Chairman of the Committee."

Perhaps somebody will make the motion.

[Major John Barnett]

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Mr. GREEN: I will make the motion.

Mr. MORPHY: I will second it.

Motion carried.

The ACTING CHAIRMAN: Our Committee on Special Cases make their report to the Main Committee. There are two and a half pages of this report. I move that this report be embodied in the minutes. It is signed by Mr. Copp and myself. Mr. Brien will sign it later.

Motion agreed to.

The ACTING CHAIRMAN: In the former report there was the case of Private W. R. Watson, 2186, submitted by Major Andrews for a man in Winnipeg, and it was referred back to the Pension Board for further consideration, and they have replied as follows:—

“Dear Sir,—

“1. I am directed to refer to the marginally noted case which was brought before the attention of the Parliamentary sub-Committee, and to inform you that the Board has decided that Mr. Watson is entitled to pension at the following rates.

(a) At Pay and Allowance regulations rates from March 2, 1915, to June 21, 1918.

(b) At C.E.F. rates from June 22, 1918, under Order in Council P.C. 1569, to August 31, 1919.

(c) At C.E.F. rates from September 1, 1919, under the Pension Act of 1919 and amended Act of 1920.

“2. Mr. Watson will receive no pension for the period during which he served in the 221st Battalion, i.e., September 1, 1916, to October 19, 1916.

“3. Cheque in adjustment of the amount due will be forwarded to him as soon as possible.

Yours truly,

(Sgd.) E. G. AHERN,

Secretary,

Board of Pension Commissioners for Canada.

Major JOHN BARNETT, recalled and further examined.

By the Acting Chairman:

Q. Where did you leave off yesterday?—A. We left off in the statement with regard to the number of men that had made payments in full, or those who had only made part payments, and you asked that I have a statement prepared on that. I have not been able to get that statement out, but we will have it in a few minutes, because we do not keep the details in our Head Office here. Those details are in the local offices. I have to get the information from the district offices. We only keep a record of the amount of money we receive and the loans in arrears. The details and the number of men who have paid we do not attempt to keep in our Head Office records.

Mr. ARTHURS: This is one of the most important Departments we have to investigate, and I think we should have some information in regard to certain matters. Firstly, how much money has been advanced up to April of the present year? Secondly, what is the average length of time outstanding—that is, the average length of time between April 1st and the time the loan was made? Thirdly, the total cost of

APPENDIX No. 2

management, overhead charges, and the annual cost to be divided between salaries and allowances, legal expenses and other overhead. I would like to have that subdivided—how much is for salary and allowances, how much for legal expenses, and how much ordinary overhead charges?

The ACTING CHAIRMAN: Is it the pleasure of the Committee that we ask the Department for the information asked for by Mr. Arthurs?

Some MEMBERS: Carried.

The ACTING CHAIRMAN: I absolutely agree with Mr. Arthurs that this is one of the most important things we have to investigate. It runs into a lot of money.

WITNESS: I have it up to the 1st March, not until 1st April. I can get that revised up to the 1st April.

The ACTING CHAIRMAN: The witness says he has the figures up to the 1st March. That will be quite satisfactory to us?

Mr. ARTHURS: Quite satisfactory.

By the Acting Chairman:

Q. Have you the figures here now?—A. Yes.

Mr. MORPHY: Let him give the figures now. Mr. Arthurs may want to question him in reference to them.

WITNESS: I will give them right here. It is just a case of finding them in the records. I have them here.

Mr. MORPHY: Take them seriatim. What is the first one.

The ACTING CHAIRMAN: How much money has been advanced to April 1st. Make that March.

WITNESS: By that is meant, not the amount of loans approved, but the amount of money actually disbursed.

By Mr. Morphy:

Q. For all purposes?—A. No, for loans. As a matter of fact, I have a statement to April 1st on that item, I thought it only ran to March.

By the Acting Chairman:

Q. On which?—A. On the first item the amount of money that has been disbursed. We have received from the Department of Finance \$84,730,331.93. Of that \$9,396,172.60 have been returned in the shape of initial payments in the shape of refunds, and in the shape of repayments that have been made, leaving a net debit as against the Soldier Settlement Board of \$74,486,796.39.

By Mr. Arthurs:

Q. What was the total amount of repayments as distinguished from refunds?—A. I will give it in a little different order. We have in loan ledger accounts—that is owing us by settlers at the present time—\$69,234,482.41.

By the Acting Chairman:

Q. That is what is due?—A. Yes, by settlers.

Q. Have you really advanced in loans eighty-four millions?—A. No, not in loans; that is our total advances covering administration and everything. That is the total amount of money we have received.

By Mr. Copp:

Q. From the Finance Department?—A. Yes. I am giving it in this way, because we can arrive at the actual cost. That is the total amount of money we have got. We have returned so much, and we have loan accounts,—money owing us by settlers,—to the extent of \$69,234,000.

By Mr. Arthurs:

Q. Before we leave that, will you say that covers everything? It does not cover salary?—A. It covers salary and everything.

Q. Those that are on the civil list?—A. Yes, it covers all salaries that are paid by the Board, and all salaries of all employees on the Board are paid out of our appropriation.

Q. Including those in Ottawa?—A. Including those in Ottawa. As a matter of fact we have very few that are permanent. They are all on a temporary basis except a very few.

By Mr Morphy:

Q. Does it mean \$5,000,000 for administration, using that term broadly, up to date?—A. Yes, analyzed properly there is little more than that, because the \$69,000,000 that is owing to us does not represent altogether a disbursement. We have sold lands that cost us nothing, so that the actual administration cost is greater. I will give you that in detail, but it is really greater than the difference between the \$69,000,000 and the \$74,000,000. In addition to that \$69,000,000 there is \$788,554.70 in the shape of interest owed by settlers computed up to the last standard date. The cost of operation of the Board since the commencement in 1918 has been \$6,096,445.74.

By Mr. Copp:

Q. What does that cover?—A. I will give you the particulars of that. I can give it by areas. The total in salaries for the three years and part of four was \$3,162,559.15; general office expenses and travelling expenses \$1,477,778.97; Loan Advisory Committee, Qualification Committees, \$129,402.24; legal fees and expenses, \$294,396.93; printing and stationery, \$334,578.17; motor cars and accessories, \$181,511.99; training centres stock and equipment, students' board, \$113,273.36; pay and allowance to settlers in training, \$169,163.07; advertising, \$35,616.25; short courses for settlers' wives, \$14,760.90. Field supervision work, \$24,906.81; miscellaneous, \$158,507.90.

By the Acting-Chairman:

Q. Making a grand total of?—A. \$6,096,455.54.

Q. What does that cover (indicating)?—A. These are assets in the shape of the value of motor cars that we own, stock and equipment at training centres, farm equipment at various centres, and we have the value of typewriters and the multi-graph plant in the possession of the Board, and money advanced for clearing land by fire. We made experiments in land-clearing by means of fire.

By Hon. Mr. Béland:

Q. I notice that there is an item,—pay and allowances.—A. That is pay and allowances for settlers in training.

Q. They do not come under the jurisdiction of the Militia Department, so far as pay and allowances are concerned?—A. No, this is a special form of training allowance that was given to settlers who have not sufficient experience. That has been done away with now. We are no longer giving pay and allowances to men taking training. We have done away with training centres. There are no longer any training centres maintained. The only training now recognized is the practical training which a man gets with a practical farmer.

By Mr. Arthurs:

Q. How many students actually went on the land after being trained?—A. I cannot tell you how many.

[Major John Barnett.]

APPENDIX No. 2

By Mr. Morphy:

Q. I would like to ask you whether or not you have observed, in the administration of this department, any tendency to waste the public money in any way?—A. No, I have not.

Q. The expenses are pretty high. Has any attention been paid to scaling down the cost of administration; if so, in what way?—A. There has been a very marked staff reduction within the last eight months. I think the number of employees in the employ of the Board as about August or September last year was 1,500 and some odd—I have not the exact number. It is now down approximately to 1,000, that is a reduction of about 33 per cent.

Q. Since when?—A. Since last August or September.

Q. What was the reason for that reduction?—A. There has been a decline in the amount of work that is being done, for one thing. Experience of the handling of the work makes for better organization I think, and there has been a consistent effort all along to hold the cost down. In the memorandum which I prepared that is one thing I tried to set forth, the difficulties of administration that are connected with this work. When you come to think that we have to inspect every horse and every cow, and that we have inspected in that way 37,000 horses and more than 60,000 cattle, and all the second-hand implements bought, which no ordinary business concern would have to inspect at all, because their security lies in the land and they are dealing with a margin of security. We have to go into minor details along those lines, and that means expense. Our supervision staff is the great burden that we are now bearing from an administrative cost point of view, both as regards salaries and travelling expenses. Our motor-cars that are being operated are practically all in the hands of Field Supervisors. The great big burden of the whole organization is in the field supervision work that has to be maintained, and it has to be maintained until we have established a margin of security; otherwise we would abandon \$25,000,000 worth of movable chattels to chance.

Q. I would like to ask you as to the item of printing and stationery. Where is the printing done, and from whom is the stationery purchased?—A. The whole if it practically comes from the Printing Bureau. We are cutting that down; that is being cut down by means of running the multigraph plant. We are getting scarcely any printing done. We are doing practically all of it at very low cost by a multigraph plant. All our legal forms are being done by running the multigraph plant, and practically everything is being turned out by the multigraph plant, which is a very efficient branch of the Department.

Q. Am I correct in saying that the principle you apply is to avoid indiscriminate expense by printing from outside sources, and to get it at the lowest possible cost?—A. Absolutely.

Q. There is nothing that can be saved on that that you know of?—A. Nothing except what we are saving by running our multigraph plant. In the early days—you will understand that in 1919 when the rush was on, and our district offices were being besieged with several hundred men a day, there were times when we had to get local printing done in order to keep the machinery going at all. But that was only in the early days of 1919.

Q. Coming back to the first question, what length of time do you think it will take to reduce your staff further?—A. Well, we are reducing right along. We are making continuous reductions. In fact, we are getting more criticism for our drastic reductions than for anything else.

Q. That is why I am asking that question. I have heard criticisms that you are reducing your staff while there is lots of work to be done, and you have not enough men to do it. Is that so?—A. I do not think we are reducing below the margin of efficiency. I think we are still keeping up the efficiency, but there are two things which I regard as of primary importance in the administration of this work, both

from the point of view of the public interests and from the point of view of the interests of the settler. The first is to create the impression that this is a business obligation that must be met, that it is not going to be allowed to drag, or that after everyone else is paid the Government comes in last. For that reason all the members of our collection staff endeavour to create the impression that it is in the interests of the settler as well as in the interests of the public. The second thing is to keep everything in the shape of administration costs down to a proper basis. These two things I regard as of primary importance in the administration of the Soldier Settlement Act.

Q. Will you please tell the Committee the number of returned soldiers that are on your staff as compared with others?—A. When this statement was prepared, as to March 21,—there have been reductions since,—there were 1,058 on the staff. That is including all our staff at Ottawa, and all our district office staffs,—1,058. Of these, 784 are men, and 274 are females,—stenographers, practically all of them. Of the 784 men, 95.6 per cent are returned soldiers, and of these returned soldiers 89 per cent saw service in France. More than that, we are carrying a very large number of pension cases. We have, I think, 28 amputation cases on our staff. We have 168 out of the 784, officers and men who were wounded overseas and are drawing pension.

Q. Do you find them capable of giving good service?—A. Yes, indeed. I do not think there is any difference. Of course, occasionally in a district, in field supervision or in land appraisal, we have to go outside the ranks of the returned soldiers. But there are not many of them. There are only very few who are not returned soldiers. At the head office we have 8 or 9 men who were transferred from the Department of the Interior who were used to land administration, old civil servants, whom it was necessary in the early days to have. There are eight or nine of these men who are not returned soldiers.

Q. In making reductions in your staff, you first favourably consider the returned soldiers on the staff?—A. Absolutely. Of course, we have to regard, so far as land appraisers are concerned, and field supervisors, we have to consider efficiency. Upon both of these depends the security of the public money. But in laying off the staff, we take into consideration the man's service, his disability, whether he is married, and whether he has dependents. We have got down to this that we have nobody else to let out but returned soldiers, and in deciding between one returned soldier and another, dependents and disability are the first considerations. If he is a disability case we try to give him the preference on that score. We have practically got down to this that it is a case of laying off even the returned soldiers; we cannot help it.

By Mr. MacNutt:

Q. You have reduced the staff of inspectors considerably?—A. You mean our land appraisal staff?

Q. Stock inspectors?—A. Yes, but our stock inspectors have not been reduced very much. They are our field supervisors. We have not reduced them very materially, except in a very few districts. We cannot reduce them for a year or two until we have established a margin of security. We have to have a man on the ground to give permission to those men to sell the surplus stock that they have. If we do not give permission, if we give the men a free hand, we would never be able to drop on anything when it is sold wrongfully. We have to keep control of the disposition of this stuff, even when the man is entitled to dispose of it.

Q. I think that supervisors will be necessary for many years, but I understood that it was the intention, to a large extent, to assist the settler, to advise him.—A. The supervisors do assist. The mere fact of supervision assists them. At the same time we are maintaining our security while we are giving the men untold assistance. The system we are working on is this: There is a definite plan for handling the supervision staff. At the present time, one supervisor is supposed to look after 100 settlers.

[Major John Barnett.]

APPENDIX No. 2

As a man makes his payments, as he establishes, in the community in which he is living, a reputation for honesty, integrity and capacity, and as he shows evidence of these things, evidence of good faith, we grade him higher. As the number of settlers increases and as they are graded more highly, the number of supervisors is lessened; we make one supervisor look after more settlers. In that way, we are constantly making slow,—very slow,—reductions, so far as supervisors are concerned.

The ACTING CHAIRMAN: I can quite believe that you have to keep the supervisors until the settler gets an equity in his property.

By Mr. Arthurs:

Q. In the memorandum which you have submitted, in clause 3, you make this statement:—

“The contribution to re-establishment which is contained in the Soldier Settlement Act is very large and very important.”

This is dated April 16, 1921. I am just calling your attention to that paragraph in which you state:—

“The contribution to re-establishment which is contained in the Soldier Settlement Act is very large and very important.”

And further down you state:—

“There are very outstanding departures from ordinary business usage, but they are justified because of the need for re-establishment, and in a secondary way, the need for land settlement.”

A. Yes.

Q. In your opinion, this is more of a scheme for the re-establishment of the soldier than for the settlement of the land?—A. I would not like to say. The two stand side by side. It is pretty hard to say which is primary and which is secondary.

Q. Naturally, reading your statement here, your idea would be that this is a Soldier Settlement Bill?—A. I will admit it is open to argument whether the primary object is land settlement and the secondary object re-establishment or whether the primary object is re-establishment, and the secondary object land settlement, the two are interlocked so closely.

Q. And following out that line of argument, according to your statement, the contribution is very large and important, and have you ever figured out in your mind what financial benefit, on the average, the returned soldier gets under this Act?—A. Well, he gets, I think, in the clause I have given, (a) that contribution, supplying the man with capital up to \$7,500, and to a man without capital that is a very great advantage.

Q. Have you ever figured out what it means? The ordinary loan is about \$4,000 on the average?—A. Yes.

Q. Have you ever figured out what financial benefit the soldier would receive in dollars and cents?—A. I am not dealing with it in that way; the way I look at it is the opportunity given to put the man on his feet rather than the interest on the money. It is an opportunity to get something he could not otherwise get—an opportunity to be staked with capital.

Q. Still the other element must also enter into it even in calculation?—A. Yes.

Mr. MACNUTT: You could not figure out that sort of thing. It depends on conditions. Some men can pay off the whole thing. Others cannot pay one dollar that is due.

Mr. ARTHURS: He can strike an average.

[Major John Barnett.]

By Hon. Mr. Spinney:

Q. The total administration costs represent about 10 per cent do they not?—A. Yes, very nearly.

Q. That would be increased in the future on account of less advances, would it not?—A. Yes, it will, in one way. Of course I think, that in computing the cost, the only fair way to compute it is not in the bulk spread over three or four years, as this is done, where you say your administration cost is 10 per cent on the amount you have invested, but the proper way to compute your costs is your percentage by years.

Q. Quite so.—A. What you have yearly. Computed in that way of course the percentage is not nearly so high, because at the rate of interest we are getting from returned soldiers, 5 per cent, if money did not cost, as it is doing now, more than 5 per cent, if money were costing the Government as it did at one time, less than that, then as a matter of fact the administration costs might be borne pretty well by the excess in the interest received over the cost of the money. That does not apply now, because money costs more than we are charging the returned soldier.

Q. We understand that 84 per cent of repayments have been made?—A. We have received in money that amount, but they are not all repayments; some of them are advance payments. Take the West for instance; it works out that the man who made an advance payment when there was no payment due, may run into crop adversity or failure and may not be able to pay next year and many men that do not pay this year will be able to go on and pay next year. It is the collection of the money we have got in and it is not strictly a payment on the due payment. I want to be fair on that. I do not want to mislead the committee as to that.

By Mr. Morphy:

Q. With regard to your figures and the success of your enterprise in collection, can you say how that would compare relatively to the same principle of collection as applied to large implement firms or industrial firms that have collected through the territories in the West?—A. Well no, I could not say as to implement concerns, I could not get that in any way that could be depended upon. I did communicate with several men who had been on our Loan Committees. We had Advisory Loan Committees, composed of outstanding loan company men, and I sent them copies of our collection returns. But those committees have been disbanded. The business has dwindled down, and we felt we could handle it without our loan committees. For instance, W. H. Cross of Winnipeg, who is a director of the Great West Life and operates loans for the Toronto Trust Company,—he has about six companies there, an old loan man. He has done important work for six companies there, and he told me our results in Manitoba last year were better than any loan company that he had anything to do with, as to the percentage of money that was returned; and we were not wholly satisfied with our result in the West. We got started very late in our collection campaign, and the resignation of the late chairman left a break in the organization of about six weeks, just at the time when we should have been getting out our collection notices, and the result was that in some offices our collection notices did not get to the men till two or three weeks after the payments fell due, and we were not prompt ourselves in the matter. It is pretty hard to hold them in case of the man's failure in promptness, when we are not prompt ourselves. This year we are getting them out now. Every field supervisor has a list in his hands, and he is trying to work it out that the men who are on the farm can raise enough produce to meet the payments. There will be a lot of them who will not meet their payments in full, but the effort that is being made is to figure out, as best we can, to see that the man gets enough by next October or November to meet the payments.

[Major John Barnett.]

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Mr. MACNUTT: How is the supervisor to handle it? All the farmer can do is to put in his crop to the best advantage and he has to depend on nature and the market later on.

Mr. DOUGLAS: He might buy some pigs and cattle.

Mr. COOPER: Pigs will not get him an awful lot.

By Mr. White:

Q. Can you tell us from memory the number of those who have wiped out their indebtedness and have paid up? Can you remember any cases where a man by his own effort and production, without the sale of land, has been able to make the payments?—A. Yes.

Q. Are there any of that kind?—A. Yes.

Q. From the production of the land, without making sales of stock or land?—Yes, I will give it to you just in a moment. 153 of the 339 that have repaid their loans in full are still on the land farming. They have not sold their land at all.

Q. That is very satisfactory?—A. 153 of these men are still on their land.

Q. 186 repaid their loans—they have paid up clear?—A. Yes.

By Mr. MacNutt:

Q. But as to these other men, do you know whether they made the money off the land or the cattle?—A. I could not say that.

Q. Or how they made it?—A. No. I see I have reversed the figures. I gave them wrongly. 153 gave up farming and 186 are still on the land, the larger number on the land. I reversed the figures. In Southern Alberta 42 men have repaid their loans and are still on the land, and I do know that some of these men made it from the crop, I would not like to say how many.

By Mr. Morphy:

Q. Taking the 153 that closed down—they were soldiers I presume?—A. Yes.

Q. Has the closing down amounted to re-establishment of these men?—A. That would be impossible for me to say. It would only amount to re-establishment if they made enough profit on the land.

Q. Does the office not know about it?—A. No, we could follow it up from our files.

Q. Before they sell out, whose permission must they obtain?—A. A man comes up, and he has under the agreement the right to pay off his loan at any time. We will not acknowledge assignments of them. That is a thing we have got to consider in the near future. When a man has been on for two or three years we have to consider a system whereby he can assign his interest and sell. It cannot be done now because that would be destroying the whole effect of re-establishment, but when a man comes to us with the money and lays it on our counter and says "My agreement permits me to repay this at any time," we have no alternative but to take it.

The ACTING CHAIRMAN: I think you are wise.

Mr. CALDWELL: You deed over to him?—A. Yes.

Q. And he has collected the money before he transfers the property?—A. I do not know how he has arranged it. He must have got the money beforehand.

Mr. MACNUTT: He could do it under an agreement?—A. Yes, but it would be unsafe I think advancing the money.

By Mr. Morphy:

Q. Have you observed in any of these cases that the man has disposed of the land when he comes with the payment?—A. I do not think there are any of that class. I think it is quite fair to assume that where the men have repaid their loans they have made quite a substantial thing of it. There may be an odd one who has not, but I know of an odd case where a man has "cleaned up" three or four thousand dollars.

[Major John Barnett.]

By Mr. Caldwell:

Q. Unless he sold for more than it cost him he could not make the deal?—A. No, he could not make the deal at all.

Q. A statement was made some time ago that a great deal depended upon your supervisor or land inspector?—A. Yes.

Q. We know it is impossible to inspect or value land in the winter?—A. It cannot be done anywhere.

Q. When you have a competent valuator do you make it a point to retain him in the service in the winter, so as to have him in the following year?—A. So far as we can, but there is a limit to that of course.

Q. A man who is not a member of the Committee wanted me to ask a question. He said that in the West there was some fault found that the valuers were not retained through the winter; that is, that you lost the services of some of the best men by not being able to retain them in the winter?—A. I do not think we have lost the services of the best men, because if we have outstanding men who are conservative in their valuations, and protecting us, and protecting the settlers in buying, we endeavour to make a provision for him through the supervision staff, because we have our inventories that have to be checked in the winter months, and we can put men on that, but looking to declining business actually coming on, we will not require in 1921 the number of appraisers we needed in 1920, and we take that into consideration, and sometimes we err on the side of cutting it too fine, but it is to save money we do it.

Q. I know this policy has been followed in our province that the best valuers have been retained and have been kept busy in the winter months as well?—A. When you have a rush, you have to have a large number of land appraisers. You have to let out some of them in the fall.

By Mr. Douglas:

Q. Have you dealt with the assistance which you give to market-gardening in your statement?—A. No, I have not. Just before taking that up, there was a statement that a member of the Committee asked for yesterday relating to the number of men who have paid their due payments. I have not got the returns from the Alberta offices, and I have not any returns from Charlottetown, but I have returns for the rest of them. In Vancouver, 1,047 men had due payments last October 1; 244 paid in full, 413 made part payments, 73 made advance payments, making a total of 730. They either paid in whole, in part, or in advance. Of that number 244 paid in full.

By Mr. MacNutt:

Q. Is that the way it is all figured out? Is it figured out in those three classes?—A. We figure it out on that basis, that is with regard to the 84 per cent of the men who made some payments.

Q. Do not some men pay \$1 at a time or \$5?—A. We do not take any small payments like that.

Q. I know of men who were advised to pay \$1 or \$5 because they were told it would be a good thing to do.—A. I do not think that they were ever advised to pay \$1. There was no intention of doing that. Taking the province of Alberta, a great deal of our best settlement there is mixed farming settlement, where the man is getting his profits the year around. He is getting cream cheques during the summer. We have men there now whom I know personally and who are getting cream cheques of between \$200 and \$250.

Q. A month?—A. Yes, for the summer months. We are now working on a plan of getting down to a monthly collection system. In other words, we are trying to get that man, in his own interests, to pay the money while it is coming in.

[Major John Barnett.]

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By Mr. Nesbitt:

Q. You could do that with past due items?—A. Yes.

Q. But I do not know that you can very well do it with accruing due payments?—A. No, except with the man's consent. But by talking to him and showing him the value of that, we have got men to agree to it. Our superintendents are taking that stand and pointing out to the men that it is in their own interest to pay it while they can. Of course, the interest is immediately wiped out as soon as they pay. They get that benefit. A great many of our men appreciate the value of it, and most of our men are trying to play fair. The big bulk of the men are trying to play fair. I think they stack up very favourably with the ordinary debtor in an ordinary business obligation.

By Mr. Douglas:

Q. Before you leave the Vancouver return, I would like to ask whether there are any of your due payments in that office not paid at all.—A. Yes.

The ACTING CHAIRMAN: There are 244 who paid in full, 413 in part, and 73 who made advance payments, making a total of 1,047.

WITNESS: There is a difference there. Some have not paid anything at all.

By Mr. Copp:

Q. I was much interested in your statement with regard to the men who had paid up and who are still on the land. That does not mean much to me unless you can give me some information as to whether they make the money off the farm. Can you give me that information?—A. It will take some little time, but I can get it for you.

Q. That is holding out a very strong inducement, while the impression I had was that it is very seldom that a farmer can pay so much off the farm. I could understand a case of a man getting an advance from the Government of \$2,000 on a \$7,000 farm. I can quite understand that he would be able to pay that. But if he got \$5,000, I do not see how it is possible that he could pay that off in that length of time.—A. The big bulk of those men who have paid in full are in the Western Provinces. There are cases that I have known myself where men have repaid loans. Take this year, a man gets a crop threshed early and he has a big wheat crop. He might quite easily clear off \$5,000.

Q. If you advertise that over the country the soldiers may begin to think that they can get an advance of \$5,000 and be able to pay it off in two years on the farm. You may have a very great number of applicants unless the conditions are properly understood.

Mr. MORPHY: I would suggest that we get that table complete.

By Hon. Mr. Spinney:

Q. What steps are being taken to protect the investment of those who have not paid anything at all?—A. If the man's security is not being kept up—for instance if his live stock is not increasing but is depreciating in value rather than increasing; if he is not increasing the breaking of his land; in other words, if he is sitting down on the thing, pressure is exerted on him, and he is told that if he cannot pay the money he must increase the security, or the only other alternative is adjustment proceedings, and closing him out. The man who is playing the game fairly, in some cases, has an additional security. We have taken a lot of additional security. We have carried a man on his horses, or cattle. We have taken security on that. It has not always been insisted on. It is when the man voluntarily agrees. He may say, "If you carry me, I will give you security on this extra amount of property," and we carry him on that. It is not counted as a repayment. A great many of those men who have not paid anything have given us security. I cannot give you the number.

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Mr. NESBITT: I would ask the members of the Committee not to ask questions until the witness has given us the full returns.

WITNESS: In Vancouver 1,047 settlers had due payments. Of these, 244 paid in full their due payments, 413 paid part of their due payments, and 73 made advance payments,—a total of 730 paying something. The next return I have is from Saskatoon,—751 settlers had payments due; 422 have made their due payment in full, 253 have paid part, and 22 have made advance payments, making a total of 697 out of 751 in the Saskatoon district.

The ACTING CHAIRMAN: Very good.

WITNESS: In Prince Albert 811 had payments falling due; 295 paid in full; 208 paid part; 152 made advance payments,—a total of 655 out of 811 in the Prince Albert district. In Winnipeg, which covers the whole of Manitoba, 1,587 have payments due; 550 paid in full; 718 paid in part, and 63 made advance payments, a total of 1,331 who paid something. In Toronto 1,117 had payments due. That covers the whole of the province of Ontario and a small part of Quebec that is near Ottawa. Of these 872 have paid in full; 149 have paid part, and 171 have made advance payments, making a total of 1,192 that have made payments. That is, more men have made payments than the number who had due payments in the province of Ontario. In Sherbrooke 229 had payments due, and 110 paid in full; 39 paid part, and 13 made advance payments, a total of 162. In St. John, N.B., 371 had payments due, and 283 have paid in full; 75 have made part payments, and 93 have made advance payments, a total of 451,—nearly 100 more than those who had payments due. In Halifax, 244 had due payments and 183 have made payment in full; 42 part payment, and 19 advance payments, making 244 that have made payments, or exactly the number that had payments due.

By the Acting Chairman:

Q. You will observe that the number who paid in advance belong mostly to those who paid in full. Therefore, it is only those who paid in full and those who paid in part that count.—A. No. I think that those men are men who had no payments due at all. They had no payments due under their agreement.

Q. In that case, Ontario would have paid more?—A. Yes.

Q. Have you got more payments than there are payments due?—A. Not the loans. You understand that 1,117 men in the Toronto office had payments due, but that is not the number of settlers.

Q. I think the statement is rather misleading to my mind. It would be very interesting to know how many of those men who made advance payments are included in the men who paid in full.—A. We give an inducement. We give an inducement to the man who had no payment due at all to pay for instance for stock and equipment.

By Mr. Caldwell:

Q. The stock and equipment loan is not due for two years?—A. Not for two years.

By the Acting Chairman:

Q. It would be interesting to know how many of that class who made advance payments are in the class who paid in full.—A. The idea was in regard to those advance payments to give an inducement to those who had no payments due. We knew, for instance, that a man had a crop failure. At the same time we wanted to give an inducement, particularly in the prairie provinces, to the man who had a good crop to pay while he had that crop although there was no money due. They responded very largely.

[Major John Barnett.]

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Mr. CALDWELL: I know that in the St. John district, while I was on the Loan Committee we advised those men to endeavour to make part payment on their stock and equipment during the first two years, pointing out that the payments would be heavier for the next four years.

By Mr. Morphy:

Q. How many of the districts on your fyle have not made returns, and why?—A. I only wired for that last night. We do not keep these things in head office. All we are interested in here, so far as the head office is concerned, is the money. We know how much is coming. We know how our office stands and the amount of money it should get.

The ACTING CHAIRMAN: Under the circumstances, I think they have done remarkably well.

WITNESS: The returns are very cumbersome and it makes a certain amount of work in the office. In the District Offices they have their collection cards, and we do not make a duplication of them. I sent a wire yesterday to each of our offices. Edmonton, Calgary, Regina, Victoria, Vernon and Charlottetown have not yet sent replies.*

By Mr. Morphy:

Q. They will be reasonably prompt?—A. Oh, they will be in to-day.

By Mr. MacNutt:

Q. As to those amounts paid and still to be paid, were they not due from the settlers who had received loans early?—A. Yes, they were all settlers who had been settled up to October, 1919.

Q. Two years ago?—A. Yes, all our land payment on the 1919 loans. All loans made before the 1st October, 1919, had a payment falling due last year.

Q. Take the last year, 1920?—A. They had a land payment, but no stock and equipment.

Q. Small payment?—A. It runs to two or three hundred dollars.

Q. My idea was this: that a great many of those settlers would get the advantage of the 1919 crop prices. In 1920, the cost was very heavy, the question of feed and all that sort of thing, and the prices dropped about 75 per cent?—A. Yes, we were hit very hard in some districts—Calgary, for instance. I know that best because I opened that office and was responsible for placing loans there. We adhered pretty strictly to the mixed farming proposition we adopted the first year. Our settlement is up on the C. and E. line and the Stettler line. Their principal crop is coarse grains. Of course there was a very large crop and oats were worth scarcely anything after they paid their threshing bill, and it came very heavy on them.

Q. They would not pay expenses in some cases?—A. In some cases.

Q. And the cost of threshing?

Mr. WHITE: I do not think any case mentioned by Mr. Barnett would come near paying expenses.

WITNESS: That is where our soldier settlement comes in. Of course a great many of them made expenses out of cattle. We were holding them to mixed farming, and our collections have shown this, and it was called attention to by our Superintendent in Saskatoon particularly, that the saving feature of soldier settlement, even in the wheat areas of the West, is the few cows, the few pigs, the farm poultry flock, and the garden. It was noticed that Saskatoon district, had done remarkably well on collections, despite the fact that a large part of their area had suffered from

* See Supplementary Statement.

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drought and poor crops; they had done remarkably well, and our Superintendent attributes it to the fact that the man who was keeping a few cows and a reasonable amount of poultry and the rest of it, did not have any store bills when he came to the end, and his grain crop was to the good, and we are endeavouring to elaborate that as far as possible, because we feel that that is going to be the saving of our soldiers' settlement.

Mr. DOUGLAS: That applied particularly to dairy cattle.

The ACTING CHAIRMAN: What is the average length of time outstanding to April 1st? What do you mean by that?

WITNESS: Since the loan was placed.

By Mr. Arthurs:

Q. The length of time the loan has been in existence?—A. Yes, I cannot give you that. It would take a lot of time and work to get that for you. It can be had by an examination of our records, but a special statement would have to be produced.

By Mr. MacNutt:

Q. You advise that single men should go into mixed farming, and have poultry and cows, and do their own cooking?—A. Only with great limitations.

The ACTING CHAIRMAN: Then "Total cost of management," that has been given, then the annual cost and salaries, that has been given. Allowances, have been given, legal expenses have been given, and overhead has been given. That settles that part of it.

WITNESS: About overhead. In order to make everything perfectly clear, the only overhead that is not included in it, that is paid from another appropriation, is our office space. That was paid through the Public Works Appropriation, but it does not come out of our appropriation, and it is not included in the statement of cost.

By Mr. Copp:

Q. It is here now?—A. Yes.

By the Acting Chairman:

Q. That is your office rentals?—A. Yes, we have no allowance made for that in our cost, because that is paid through the Public Works Department, and they simply place us where they have space, and pay the bills.

By Mr. Douglas:

Q. Would you deal shortly with your market garden proposition?—A. As to market gardening we have a special small holding policy for British Columbia. Outside of British Columbia we try to avoid market gardening as far as possible, and we have no general policy, and every case is dealt with as an exception and special case. We do not refuse them, but we try to get "round" them.

By Mr. MacNeil:

Q. What is the objection?—A. The objection is that the market gardener is generally born and not made, and we lose money with that type of settlers where we have tried to place them. The man must have special experience and special adaptability; it is almost impossible to get them to qualify and there is danger in buying them land, of course, that you are buying a sort of glorified town lots, suburban real estate.

By Mr. White:

Q. And everyone thinks he knows all about it?—A. Yes.

[Major John Barnett.]

APPENDIX No. 2

By Mr. MacNeil:

Q. Have you contemplated giving effect to that section in the Act which provides for giving special attention to the incapacitated man?—A. We have given effect to it in regard to the blind man. We have not extended it beyond that. The Act refers to the blind man and similar cases, and we have interpreted it to apply to that particular class,—the blind man.

By Mr. MacNutt:

Q. What other class would there be?—A. There might be tubercular cases.

By Mr. MacNeil:

Q. Would it be possible to provide for men who have had farm experience and who are not physically able to undertake the operations of a large farm?—A. Well, it would be possible, but our view is that in regard to most of the men it is really not helping them very materially. Most of them are bound to fail. Take the blind men we have established, they have received sympathetic aid; that has gone a long way with them; they are exempt from interest. We charge no interest.

Q. Have you tried the leasehold property system?—A. No, it is an actual sale to the man, mostly poultry business. Most of the blind men are trained in poultry farming. The trouble with the tubercular man in running a place is that he never knows if he is going to do anything with his farm. He may be incapacitated from work. The outdoor life is very necessary for him from a re-establishment point of view, but in regard to a loan to him, though there is no interest charge on it, if he is not going to be able to avail himself of it, it is not going to be useful to him.

The ACTING CHAIRMAN: The experts in their report do not recommend it.

By Mr. MacNeil:

Q. You commenced with an analysis of the salvage statistics or abandonments, and you have not finished that?—A. You want the salvage do you?

Q. Yes?—A. In the salvage cases I gave the causes, the criminal or fraudulent causes of salvage. There were 49 cases of death, and salvage from that. The men simply died. There were 189 cases of ill-health, 98 cases of domestic trouble, 31 cases where the land bought was not right, had not sufficient value of fertility to enable a man to succeed, 29 cases of crop failure, and 890 cases of lack of sincerity, lack of ability, or abandoned for no apparent reason. Those were general terms used, but we could not find anything else. We could see no reason, the land was apparently all right. There is no domestic trouble, there is no crop failure, but the man flings up his hands and gets out. Those are included in the 890.

By the Acting Chairman:

Q. You do not find any who have retired?—A. There may be some of those.

By Mr. Caldwell:

Q. Were those salvage cases instances where the farm was too small for a man to make anything off?—A. No, I do not think so. There would only be 31 cases where we attribute it to the land for any reason, and some of that 31 might be for that reason, but I think it is frequently because the land is of low value or subject to impediments or hindrances.

By the Acting Chairman:

Q. Poor quality generally?—A. Yes.

By Mr. MacNutt:

Q. Might it not be that the prospect did not look very well, and they threw it up?—A. Of the 980; yes it might be.

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By Mr. MacNeil:

Q. Do the statistics show down to what period the loans were given?—A. In the statistics I have here; but most of these salvage cases all occurred among men who were put on in the early rush days, when we were operating under great handicaps, in 1919 when men were just being demobilized and they were rushing into our doors, and it was impossible to hold them back, even in their own interest. With regard to the salvage, and with regard to the 10 per cent exemption referred to yesterday, I have figures that I think would interest the Committee. It is suggested that the 10 per cent exemption should be waived. Take our Toronto office, for instance, as one example of this. We waived the 10 per cent payment in 17 cases in Ontario. The last of the 17 was salvaged about three weeks ago; the whole of them have gone, every one of them. There was not a single one of those that had their 10 per cent waived that stayed with the proposition.

Q. Was that exemption a contributing factor to the failure?—A. We cannot say that. There is no way you can analyze that and say that it is. All we can take are the figures bearing over the whole thing. As I said yesterday, our total salvage is about 6 per cent or thereabouts. The salvage of cases where the 10 per cent has been waived, is 24 per cent.

By the Acting Chairman:

Q. It is 100 per cent in Ontario?—A. Yes.

By Mr. Douglas:

Q. Have you had many cases where men could not avail themselves of the benefit of the Soldier Settlement Act on account of not having the 10 per cent?—A. Oh, yes.

Q. Is it a large percentage?—A. It is quite a considerable percentage. We have no way of getting figures on that, because frequently a man will come up; he will not put in his application, and he says on the start he has not the 10 per cent; and he is told it is not worth his while wasting his effort in reference to it. The percentage is 24.6 on lands that have been purchased and salvaged; that is, 24 per cent on which the 10 per cent was waived has been salvaged. On the purchased lands as a whole, the purchased lands that we have bought, the salvage is 6 per cent.

By Mr. MacNutt:

Q. Was not the waiving of the 10 per cent intended to tie the man to the land, to give him a personal interest in it?—A. It was to give him a personal interest.

Q. If that was the intention, would it not be advisable in certain cases where the supervisor thinks it would be of benefit to refund that 10 per cent, providing for paying in instalments or in some other way? I do not suggest that that should be general, but only in cases where the supervisors consider it would be advantageous?—A. The only objection to that is this: We have now provided for a breaking loan system, that so far as breaking is concerned, a man can earn money on his own place and get the maintenance by doing breaking. If he does breaking under a breaking contract, we will pay him up to a reasonable percentage for the cost of breaking, although he may have done it with the teams that we have supplied. The idea is to get a man fixed to the place. Instead of handing him out a "grub-stake," we say, "Go on the place, and do this work; improve the place to this extent and we will appraise the value of the breaking you have done, and we will give something for that. You use that for your 'grub-stake.'"

Q. Suppose he improves it by building?

Mr. CALDWELL: He can get a loan for building.

WITNESS: Yes, but we would not make a refund of the 10 per cent by reason of building that he has done after he has gone on. We will give it if it is done in the initial stages. He can get that and get the work done. In some cases, he may even

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get consideration for himself. But as a general rule there is no payment to a man for building that he has put on himself.

Q. What is the amount of the breaking advance?—A. It is charged up to his loan. He is given a new loan, and when the breaking is done, from time to time as it is done, he gets an advance.

Q. He is paid this amount?—A. Yes, but it is confined to breaking and not to building.

Q. In many parts there is no breakable land; it is scrubby?—A. In most of these cases there are buildings enough and we do not want to add any more. Building in Western Canada is one of the greatest things we have to look out for, because in a way buildings are very necessary. A good house and stabling are necessary and other things. But the reason we go in for the breaking is that is going to produce some money. The other things are necessary and all that, but they do not actually produce money.

Mr. WHITE: Take the money advanced for the purchase of a farm. There is also provision made for a stock and equipment loan. Are they two separate agreements? For instance, a man is granted an advance of money to buy a farm. The Board has, of course, security on the land, but he wishes to stock that farm, and he is advanced money on the stock. Suppose that he was not meeting his payments with regard to the cattle or his stock or equipment; could they salvage that stock if they thought it wise to do so and take action in that regard? Or could the man still retain the land if he kept his payments up? Is it all one deal?—A. It is generally one deal, but of those 1,331 salvage cases quite a number will be shifting back and forth. They are in salvage to-day and they may be taken out to-morrow. With the winter coming on, you may sell the man's stock and equipment. For instance, he may have no feed, yet he wants a chance to go on and we give him that opportunity. We do not close him out finally.

Q. If he allows the stock to go, is he still in good standing? Can he still hold the land if he keeps up his payments on the land? Are they two separate deals?—A. If he pays up the shortage on the stock and equipment—

Q. No no, supposing he does not do that; supposing he keeps up the payments on the land?—A. He cannot do it because it is a joint deal. If he pays up any shortage on the stock and equipment, and say, "I am going to keep the land"—

Q. The reason I am asking is owing to the depreciation of stock, some people were advanced money to stock up while their stock to-day is really almost valueless. To a great many people it will be a great burden to have to pay for that stock out of the land. It would be pretty hard after keeping up their payments on the land to have this extra burden so far as the stock is concerned. It is going to make it almost impossible for many of those men to carry on. If they could be allowed their cattle, they might make an effort on the land, but with those cattle purchased at three times the price it is to-day, it will have a very discouraging effect on those men?—A. In the case you mention, we do not meet that. The man has got surplus stock often, or range cattle, not the productive dairy stock, and we sell off that part of his stock that is unproductive in order to assist him.

Q. You relieve him?—A. No, we do not relieve him of the difference in the amount; we cannot do that under the Act.

Q. Where is the benefit? You add that to the loan?—A. That is really what it amounts to.

The ACTING CHAIRMAN: He owns it, and I do not see how you could do otherwise.

By Mr. MacNeil:

Q. Might it not be the case that the situation in Ontario with regard to the salvage of those who took exemption was merely accidental? Have you made a closer analysis of the situation?—A. Take Vancouver; we waived the 10 per cent on 103 cases. 61 of these cases are in salvage at the present time, or 59 per cent. In Sherbrooke, the percentage is 66.

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Q. Would not the qualification have the same result?—A. It might, but as a rule where it was waived, we were very careful on the qualification.

The ACTING CHAIRMAN: You have told us that you only waived the 10 per cent in the cases of qualified men.

Mr. CALDWELL: The best qualified men, grade A men.

WITNESS: That was not adhered to but it should have been. In some offices they considered other factors, but there was extra care. It was not merely qualification, because when they were waiving the 10 per cent they knew they would be blamed.

Q. Do you not come into contact with men who, from no fault of their own, are unable to furnish the cash requirements and yet were judged qualified?—A. There are men like that, men who looked like that, that is from the appearance of the thing, but history shows that we did not always pick winners.

Mr. GREEN: I was going to say that you have not always been good judges.

By Mr. MacNeil:

Q. Is it not possible to develop a system which would have the effect of eliminating the undesirable settler?—A. Qualification is one of the most difficult things you have, particularly in the West. In places like Prince Edward Island, where the settlers are few, they are well known; but in the West, the soldiers have had to migrate, and they are not known. More than that, many of them base their ideas of farming on something they had before the war. Four years overseas changes a man. We have to go on the record of what a man did before, and his whole aspect changes, which makes qualification very difficult.

Q. Are there many men who borrowed cash for the 10 per cent and took a wrong advantage?—A. We have no way of knowing what men borrowed. We cannot tell that.

By the Acting Chairman:

Q. Is it a fact that many men have given up because they had no "stake" in the business?—A. They have no "stake", and more than that they have not acquired thriftiness in the preservation of their money. That is an important thing. When a man gets his fingers on money, it is a good evidence when he shows that he is able to hold on to it.

The ACTING CHAIRMAN: I have here a list of suggestions by Mr. MacNutt, who is a very experienced member of the Committee. Do you wish to go into this now?

WITNESS: Yes.

Hon. Mr. BÉLAND: I would suggest that the witness hand over the balance of the returns that were not produced.

The ACTING CHAIRMAN: It is the desire of the Committee that the remaining returns be handed to the stenographer. Mr. MacNutt in the first clause of his memorandum states:

"In the first place the terms are very easy, but the trouble to me seems to be that most of them have taken improved farms."—

Mr. MACNUTT: Just a moment please. Perhaps I may be allowed to explain. The idea of submitting these suggestions to the Committee was to give it an opportunity of dealing with them as it may see fit. I spoke to Major Cronyn, and he advised that I should write him a letter, which I did. That is the letter which you, Mr. Chairman, started to read. It seems that he submitted it to Major Barnett, and there was a memorandum sent in reply of which I have a copy. Then I replied to that memorandum, I may say that the statements in Major Barnett's reply are all

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very well, but I did not like many of the expressions which he made use of, and my reply was pretty much based on that. I am much more impressed by the evidence which Major Barnett has given than I was by his memorandum, which to me seemed pretty "rocky". It seemed to me that the Settlement Board, which acts under the instructions of this House, were looking upon this matter as if it were a mortgage concern, and not, as was primarily intended, as a matter for the re-establishment of soldiers who had been overseas. I do not know that I need call attention to some of the remarks in Major Barnett's memorandum. He stated that:

"An amendment of the Act for the regulations permitting a general re-amortization of delinquent arrears would put a premium on indolence, incapacity, and insincerity. One of the greatest kindnesses that can be done any settler is to impress upon him firmly and consistently that his obligations must be met in accordance with the terms of the Act and his agreement."

Now that strikes me as a little patronizing. Then he goes on to say:

"Many of the men who do not pay are the victims of unpreventable circumstances. Many others, however, are merely the victims of their own lack of forethought, their own incapacity, or their own indolence. The Board has power in exceptional cases to defer payments. Where the Board's security both lands and chattels, is well maintained, and where the failure to pay is due to unpreventable mishap, and most of all where a deferment will give a real opportunity for the Board to get its money back"—

Evidently that is the principal object the Board has in view. However, with that explanation I will conclude.

Mr. MACNUTT: I think that probably there is some further evidence to be given. I think it would be as well to take the suggestions under consideration and hear what further Major Barnett has to say.

By the Acting Chairman:

Q. The first charge is that most of them have taken improved farms all ready to go on to, and have had to pay or are charged a very high price for improvements, many of which were not necessary and others could have been done by the settlers themselves. This would not have mattered so much if the first crop turned out successfully, but everything depended upon this first year or two. Had they taken up new lands in the same way that the pioneers took homesteads, but with the difference that instead of getting them free by virtue of certain residence and improvements, they would have to pay for them but were given long terms and low interest to do so, it would have been a different thing. What is your answer to that?—A. Well, in answering this statement, I have recently received a letter from our Western inspector pointing out that in the Prince Albert office alone we had 700 settlers on Crown Lands, and only 450 on purchased lands. We have a few on their privately owned land by way of mortgage. The Crown Lands were practically unimproved lands. In the Saskatoon District we have purchased a very large quantity of school lands which are "raw." We have purchased Indian lands that are "raw," and a very large percentage of our land holdings in the whole of Saskatchewan, but more particularly Saskatoon and Prince Albert Districts, are "raw" lands. The men are settled practically on "raw" lands, so that I do not think that as a rule we have purchased highly improved property. There are some districts of course where highly improved property was purchased.

Mr. MACNUTT: I was referring to cases that I know in my own locality, and it is not a reflection on the Board at all. I was not making the slightest reflection. It was the choice of the people themselves, but unfortunately they were taking a big

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chance. If the first crop failed, as it has done to a large extent both in quantity, and particularly in price, they are right "up against it," and I was wondering if something could not be done to meet these cases. I made one suggestion with regard to re-amortization, simply to divide it up, and I think the security of the Board is better because they will be encouraged to stay on the land, and if they leave the land now it is going to be a bigger loss than you have referred to there. I am referring to that part of the country which I know well, and the cases which I know well,—several hundred of them.

WITNESS: Rather than make a re-amortization at the present time, the furthest we dare go,—at least the furthest we feel we should go in the matter,—is to consider each individual case as it comes up, and not simply defer until next year and wait and see before we decide about re-amortization. We have instructed all our District Offices now that we have the utmost sympathy with the men who have been making a really bona-fide effort to get on, and the supervisors have been advised to put that point of view before the man, that he is not going to be driven unnecessarily to the wall. But the most we want to do,—and we feel in the interest of the settler himself and the interest of all the settlers,—is simply to defer for the present. He is not being charged 7 per cent interest, he is simply paying his 5 per cent interest, and we will carry it in arrears for a year, and if next year it turns out that circumstances are still unpropitious we may have to consider the question of re-amortization to prevent the arrears getting too large.

Q. If you take that view, that would be satisfactory to me.—A. But for the present, in order to be able to exert the necessary pressure,—I have tried to state that we find that the bulk of our men are good men, yet we have always got the one that is not,—

Q. Just for a moment take this view: Here is a man on his land doing the best he can, he has a family to maintain. Through certain conditions he cannot control, he cannot make a certain payment, and he has another payment next year, although it is only at 5 per cent, would you be justified in considering that, as the prospects are very poor for next year, he does not know what the yield will be and wondering what the crop will be next fall,—would he not be justified in saying "I have to provide for my family, I have to get off the land and provide for my family in some way"? If he understood just what you have been telling us, and if the supervisor spoke highly of him as a bona fide settler trying to do the best he could,—if he were told that they would re-amortize,—I think he would likely say "all right, I will stay on," but the fact that you will do that under certain circumstances and he does not know it, is not going to help him?—A. Well, we are sending word to our men and they are advising the great bulk of men that we are not going to drive them and we do not want to deal with the other feature until the matter arises.

Mr. MACNUTT: My idea was to bring the matter up and have it discussed.

The ACTING CHAIRMAN: The next clause is about the amortization where they have paid the 10 per cent. Do you want me to read that?

Mr. MACNUTT: I think that has been already dealt with.

By Mr. Arthurs:

Q. There is a point in that connection you might answer: Where the 10 per cent has been asked for and received, was it always confined to 10 per cent, or do you find cases where the soldier got a much greater amount?—A. A much greater amount. I have a letter from a superintendent in Charlottetown, P.E.I., this morning. That is our banner district for collections, and he tells me he has just computed that 16½ per cent is the initial payment made by a man in Prince Edward Island, and we have 90 per cent of our men who made their payments right on the spot. I think that is another element of the value of the 10 per cent,—that information I got this morning.

[Major John Barnett.]

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Mr. MacNUTT: There is nothing like Prince Edward Island.

The ACTING CHAIRMAN: Most of these other clauses are covered by what we have already discussed. Here is a clause:—

“Another recommendation I would make is that those settlers who have taken up raw land have their payments extended for one year more making the first payment fall due the third year instead of the second year; and also stock and equipment loan falling due the fourth year instead of the third year. This would give the settler that was taking up raw land a chance to fully establish himself before he would have to make any payments. Also, would have a tendency to induce prospective settlers to settle on raw land rather than improved farms, thereby increasing production and settling up the country with English speaking people.”

WITNESS: On that our amendment last year went quite a way you see, and of course if this is dealing with the old cases I have not much to say one way or another. Is it retroactive, or dealing with the future cases? Is it for future cases or those already—

Mr. MacNUTT: I think it should cover all cases.

WITNESS: Of course you see our amendment was made last year extending the time.

Mr. MacNUTT: Why should it not be amortized over the whole period? In four or five years the security is lower,—depreciated. As a matter of fact after you have had implements for three or four years they are no security at all. If you were selling them you could not realize 20 per cent of what they cost. Then animals are very poor security. They have legs. They can walk away, and they die very often, and it seems to me the amounts for stock and implements should be dealt with in exactly the same way as the amounts for the land. The country would get its money back, or the Board would get its money back, and the interest,—much more liable to than by a number of payments being heaped up at once. Of course I am taking this stand because conditions have changed so much. If prices kept up the way they were some years, or anything like it, it would be different, but looking at the present prices you see the farmer has to buy a lot of stock, you see he is not growing his own groceries or clothes or anything of that sort. He has to pay his taxes, and they are pretty heavy. I do not refer to the Income Tax, because that is generally too small, but he has to pay other taxes, and I think I mentioned in one of my letters where a man had to make a first payment of \$325, and the next payment was \$325, and then a payment on his stock and implements of about \$400, running the amount up to \$1,050 which he has to pay, and only operating a quarter section of land by the work of his own hand. In the meantime he has to pay these liabilities. If a man is up against it I think it would be very foolish to stay on the land. He had better go to the city and become a brakeman on the Canadian National Road. I think we have got to give the Board and the officials every credit for the way they have handled the whole thing. It is not a question of cost in any way, but a certain condition has arisen in in some cases and we have to try and meet it in some way so as to keep the men on the land.

WITNESS: We certainly want to keep the men on the land. As yet we have not any money loss on the salvage cases. We know it is just a question of time before we do start to lose money on it.

The ACTING CHAIRMAN: Might I suggest that Major Barnett take these suggestions of Mr. MacNutt's into careful consideration, and be in a position when the Executive meets, if we call on him, to give us their reasons why they cannot be carried out. We will have to go over these suggestions of Mr. MacNutt's at the executive meetings when we are considering the Soldier Settlement Act. It might save time to follow that suggestion.

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Mr. MACNUTT: My idea in having the matter brought before an open meeting of the Committee was that if there were any evidence having any bearing on the matter it should be heard.

WITNESS: The suggestion as to implements, sheds—

Mr. MACNUTT: I am not going to press that. The main thing is to try and ease off the payments so that the men will be encouraged to stay on the land. I do not want to be pessimistic; I believe that everything will come all right; but in the meantime, there are certain difficulties to be overcome, and the question is how you are going to do it.

The ACTING CHAIRMAN: It is one o'clock, but we have a number of suggestions from the G. W. V. A. with regard to land settlement. I have read them over and I find that they are the same so that we can consider them both at the same time. In the meantime, I would suggest that the Soldier Settlement Board get copies of these suggestions and be ready to answer them. We can notify them when we wish to hear them.

Mr. GREEN: Before we adjourn, I believe there is a Mr. Cochrane from Moncton, N.B., here who wants to make a statement. He says he will take only five minutes to make it, and as he cannot remain over until Tuesday, perhaps we could hear him now.

Mr. MACNEIL: Do I understand that we will have an opportunity of discussing those recommendations on land settlement before the Committee?

The ACTING CHAIRMAN: Yes. We will now hear Mr. Cochrane.

DAVID COCHRANE, called, sworn, and examined.

By the Acting Chairman:

Q. Where are you from?—A. Moncton, N.B.

Q. Whom do you represent?—A. The Great War Veterans, the returned men who have been laid off by the Canadian National Railways.

By Mr. Copp:

Q. What is your present employment?—A. Superintendent of the Employment Service of Moncton.

By the Acting Chairman:

Q. What were you before?—A. I was an engineer in the C. N. R. during the war.

The ACTING CHAIRMAN: Go ahead with your statement.

WITNESS: The Canadian National Railways at Moncton is the principal product of industry. Every person there almost works in the shops, more or less. They used to be the I. C. R. shops. When the war broke out in 1914 the boys around Moncton all volunteered to go overseas. When they did go and volunteer, Mr. Gutelius, who was the manager at that time, put a proposition up to the men. He said, "If you enlist we will give you full pay," that was for the First Division. For the Second Division, he said, "You will get your pay made up to the wages in the shops." That is, if a man was getting 30 cents an hour as a labourer or a machinist and enlisted, his \$1.10 per day would be made up to 30 cents per hour, and on his return from overseas he was told he would get his position, plus any promotion he was qualified to fill. The boys all went over, married men and single men, and as you know they were offered streets of gold when they would return. But when they came back they found their jobs filled by farmers, men who had gone on the farm as a cloak under the M.S.A. The railways called for all the possible help they could get and for reinforcements.

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Then the Armistice came along and those men who had used the farm as a cloak and had gone into the shops got their jobs. The men who came back from overseas got their positions back, but there was a clause in the labour schedule stating that the junior men would be laid off first. The man who went overseas may have been a fitter, and if he came back disabled perhaps there was a lighter job for him at a lathe. But his seniority only started when he went to the lathe, whereas if he had stayed at home he would have had a better job. In Moncton we have over 300 returned soldiers. There are 60 or 70 married men with children crying for bread and cannot get anything. I came here and met Mr. Hanna. He said, "We have lots of work, but the deficit is too great to employ these men," and there is no clause in the labour schedule to put those farmers back on the farm and put returned soldiers back on their jobs again. I came here to ask your co-operation to do something to get these returned men put back. We have one man who has 25 years' service, and as he had a disability he had to get a lighter job. He is laid off while the men—I do not want to emphasize it too much—the men on the farm who used it as a cloak are still employed. Furthermore, the Canadian National Railways are running a train from Shediac and Buctouche and other places at 7 o'clock in the morning to bring those men from the farm, and to take them back at night, while the returned soldiers are walking the streets. All the higher officials are getting big salaries. They only touch the poor returned men. In the offices at Moncton, there are employed about 1,200 people. There are in some cases four and five members of one family working there, father, sons and daughters, men who went on the farm as a cloak. The girls are going to work in fur coats and the poor soldier who went off to fight for Canada and democracy is going about hungry.

By Mr. Douglas:

Q. Is it your statement that those men did not get their jobs back after being promised by the manager that they would?—A. They did, but there is a clause in the schedule about the men who went overseas, stating that if a man takes a lighter job through his disability, his seniority only starts at the time he was there on that job.

Q. Is there any way in which the management could overcome that?—A. They made all the agreements. All they have to do is to give the men work.

Q. Suppose all the men who were farmers that you speak about, were dismissed, what would the trades union say about it?—A. That is where the trouble is going to be, but the great thing is that the men went over to fight and were made promises, and the trade unions should not direct that.

Q. Would it not cause a strike?—A. The men are ready to go to work now. There is lots of work in the Moncton shops. In the yards there are over 700 cars waiting to be repaired, while the farmers in the west are crying out for cars to carry their grain. The round houses are filled, but they say "cut down the employees because the deficit on the railways is too large." The D.S.C.R. is paying up to \$12 a week to returned men who are not working; these are men with pensions. There are other men without pensions and their children are crying for bread. Instead of the Government paying \$12 a week to those men for being idle it should try to get them working on the cars. It would save money.

Q. I do not think that that is quite the point. Your point, I take it, is that if those men who did not go overseas were let out and the returned men given employment the deficit on the railways would not be greater?—A. Yes, sir, that is one of my points.

By Mr. Green:

Q. Are those men who are out of employment now a portion of the men that could not agree upon having their time cut down? As I understand it, the management asked the men whether they would be prepared to work a certain portion of the week instead of the whole week, but the men disagreed with that, and a certain number of

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them were let out, while the others were kept on at full time. Are the men you refer to in that class?—A. They are, but they are a minority.

Mr. COPP: The offer made was three days per week, and the men felt that they could not live on the pay they would get for working three days a week.

By the Acting Chairman:

Q. You said that the returned men got the difference in their pay made up?—A. The First Division men did.

Q. They were promised that and they got it?—A. Yes.

By Mr. Douglas:

Q. That bargain has been kept?—A. That has been fulfilled, but the thing is to get work.

Mr. GREEN: I understand they got everything that was promised but the seniority up to the time they changed their job.

By Mr. MacNeil:

Q. There are 300 men for whom there is no work?—A. That is it, and there is lots of work.

Q. If work is not provided what will be the plight of the returned men?—A. The Government will have to feed them. They are feeling it very bad. If the Government is going to feed those men and their children, why not give them work?

Q. There is no possibility of absorption in other employments?—A. No, sir. There is a big job that is going to cost half a million dollars, but they are offering the returned soldiers the fabulous sum of 30 cents an hour to go there and work. I know a captain who is working there with a pick and shovel for \$3.00 a day.

Q. As a matter of fact, those men are not fit to take that kind of heavy work?—A. No.

By Hon. Mr. Spinney:

Q. There are 600 men out at Moncton?—A. 517.

Q. They have had the option of working part time, that is, that a large section would have three days a week. That arrangement was not accepted by the men, as I understand it.

Mr. COPP: The whole of the men.

Hon. Mr. SPINNEY: As I understand the situation, there have been 600 men turned out because they were not required. The management said, "We will give 50 per cent employment for a portion of the week and the other 50 per cent the remaining portion of the week."

WITNESS: No sir, that is not correct. They offered 144 hours per month. The returned soldier does not come under that clause, because he does not belong to a trade union. Those who made this schedule think that it is far better working five days one week and four days the next and then working three days.

Hon. Mr. SPINNEY: The idea was to employ them up to the ability to employ them, that is so far as I understand it.

Witness retired.

The Committee adjourned until Monday April 25th, at 11 a.m.

[Mr. David Cochrane.]

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SUPPLEMENTARY STATEMENT ON REPAYMENTS

(See also p. 379)

Calgary—

Number	with payments due..	1,568	
"	who paid full due payments..		610
"	" " part due payments..		330
"	" " advance payments..		217
Total making payments..			1,157

Edmonton—

Number	with payments due..	2,382	
"	who paid full due payments..		886
"	" " part due payments..		799
"	" " advance payments..		153
Total making payments..			1,538

Regina—

Number	with payments due..	1,156	
"	who paid full due payments..		332
"	" " part due payments..		395
"	" " advance payments..		51
Total making payments..			778

Victoria—

Number	with payments due..	307	
"	who paid full due payments..		125
"	" " part due payments..		68
"	" " advance payments..		58
Total making payments..			251

HOUSE OF COMMONS,

COMMITTEE ROOM 435.

MONDAY, April 25, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-Establishment of Returned Soldiers, met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Others Members present: Messrs. Arthurs, Béland, Chisholm, Cooper, Copp, Douglas (Strathcona), Green, Savard, Spinney, Turgeon, White (Victoria, Alta.), and Wilson (Saskatoon),—13.

The CHAIRMAN: We have a letter from Mr. Dobbs, President of the Amputation Association, submitting some further memoranda regarding multiple disabilities, and the amount which his Association thinks should be granted. I take it that that should go on file for consideration by the committee when we come to deal with our report. A telegram addressed to Dr. McGibbon has been forwarded to me, in his absence, from the officers and non-commissioned officers in hospital at Gravenhurst asking to be heard on the question of reduction of their pay. I think that should go to the Committee on Evidence. This morning we are going to hear Mr. Foran of the Civil Service Commission executive.

WILLIAM FORAN, called, sworn, and examined.

By the Chairman:

Q. I do not know whether you would like to make a general statement as to what has occurred in regard to ex-service men since you were last before us. Perhaps you might take that as something to start with and then go into some of the questions that have been submitted for our consideration.—A. I learned only on Friday through the Clerk of your Committee that I was expected to come before this Committee and give evidence in reference to certain cases that had come before you, and he sent me on Saturday two cases in regard to which you desired information. That information will be forthcoming in the course of a few moments; my assistant is bringing it. If you remember, in my evidence last year before this Committee, I emphasized the fact that the Civil Service Commission was working in the closest possible co-operation with the G. W. V. A., in reference to Civil Service appointments, and I felt then, and I feel now, that perhaps the best witness you could have to testify as regards the manner in which the preference is being administered by the Commission is the Secretary of the G. W. V. A., Mr. MacNeil. The G. W. V. A., is represented on all our examining boards so that they are kept in close contact with our work and know, at all stages, what is being done.

By Mr. Copp:

Q. You say that the G. W. V. A. is represented on your Boards?—A. On our examining boards. The returned soldiers know that the Civil Service Commission has done every thing possible to see that the preference provided under the Civil Service Act for them is being faithfully carried out. As to whether that preference goes far enough, or whether it should be changed in any way is a matter for this Committee and Parliament to decide. So long as that preference remains, the Commission will do, as it has done, its very best to administer it fairly and impartially.

The CHAIRMAN: I do not recall any complaints on that head that have come before the Committee this year. Do any members of the Committee remember any such complaints? We are coming to a complaint which is voiced very generally in regard to promotions. We will take that up later. I have several resolutions here that I propose to submit in order to get information from you.

By Mr. MacNeil:

Q. How many returned soldiers have been employed through the Civil Service Commission?—A. I have the figures here. The information has been supplied to Parliament this session.

By the Chairman:

Q. It has been supplied?—A. Yes; approximately 8,000 permanent, and 29,000 temporary appointments have been made.

Q. What I am trying to get at is that even under the preference given to returned soldiers, it has not been possible to employ, or to re-establish by way of employment more than 8,000.—A. I think you are wise in taking up that point, because there is a feeling among the returned men that the Government should re-establish every one of them. That, of course, is impossible, the Commission fills positions as they become vacant, and that is the best that can be done. At the present time the departments, instead of increasing the number of employees, are decreasing them, as a matter of fact, and that is one of the reasons why a number of returned men have been let out during the last three or four months. The work in the departments is subsiding, and a certain amount of demobilization is therefore necessary. As these Departments are largely recruited from among returned men, it necessarily follows that it is the returned men who are affected.

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Q. Have you the number who have been released owing to the cessation of temporary work?—A. No, though it could doubtless be secured from the Department of Militia and Defence, the Soldier Settlement Board, the Department of Soldiers' Civil Re-establishment and the Pension Board.

Q. Is the statement true that a great number of those temporarily employed in departments are now subject to demobilization?—A. That is true as regards the departments I have referred to. The D. S. C. R. and the Soldier Settlement Board are practically wholly composed of returned men. I do not know to what extent these departments will be demobilized, but I think we could get that information for you.

Q. Have you any statistics showing the number of returned soldiers granted permanencies under the recent Order in Council blanketing certain temporary employees?—A. Three of the largest departments,—the Post Office, Customs and Inland Revenue, and Interior, have yet to send in their returns. So far, 1,017 have been recommended for permanencies. Of that number 236 are returned men; 731 are female employees, and 50 male employees who are not returned men. The blanket makes special provision for returned men in this respect,—that no civilian male employee is to be blanketed in unless he gives satisfactory evidence as to the reason why he did not enlist.

By Mr. Douglas:

Q. In that connection, I have a letter from Toronto complaining that in the Toronto Post Office there are from 300 to 400 returned soldiers in temporary positions who have not received the advantage of that blanket Order in Council.—A. Yes, the Post Office Department has not sent in its list as yet. That is one department that has not so far taken advantage of the Order in Council, because it is in process of reorganization at the present time. Until the reorganization is completed, it is not proposed to make any employees permanent in this department.

By Mr. Cogger:

Q. It is apparent that the Order in Council will effect probably more men in the Post Office Department than in any other department. How long is the reorganization going to take?—A. I understand that the reorganization will be completed by the end of June.

The CHAIRMAN: I daresay that the letter received by Mr. Douglas is the same as one addressed to the Committee from the Army and Navy Postal Association.

Hon. Mr. BÉLAND: We all received a copy.

By Mr. MacNeil:

Q. When a reduction of the staff becomes necessary, who determines the order of release?—A. We furnish the departments with the order that should be followed, but the lay-off itself is a departmental matter. Returned soldiers however are kept until the last.

By Mr. Copp:

Q. You made the statement that in all cases returned men were given preference in getting positions. Now, I understand that when you advertise for applications, those positions are filled after competitive examination. In that case, do the ex-service men get a preference?—A. The law provides that the returned soldier, having the minimum qualification shall be placed at the head of the list. If we have a written examination, for example, we fix the minimum percentage say at 60. A civilian competitor may get 90 per cent, but the returned soldier who gets 60 per cent or above 60 per cent is placed at the head of the list.

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Q. Suppose that there are two returned soldiers competing, what happens?—A. The man with the higher marks of the two is placed at the top.

By Mr. Green:

Q. To put it shortly, you are employing as many returned men as is possible, and you are retaining as many returned men as possible against civilians. In other words, you are giving the returned men all the opportunities possible according to the necessities of the various departments.—A. Absolutely.

By Hon. Mr. Béland:

Q. You gave us the number of returned soldiers who are permanent and temporary employees. Can you give the Committee approximately the number of returned men who are now applying for positions, and who are not satisfied because they have not so far secured positions; in other words, the number of applications that you have before you from returned men seeking employment?—A. I will send the exact figures to the Committee, but they run into thousands. Every returned man out of employment sends in an application to the Civil Service Commission. We have hundreds right here in this city who are looking to the Government to give them employment. Of course, only a small proportion will ever get employment in the Civil Service.

Q. Have they all qualified?—A. Some of them have qualified, and others have not. We have a great many who have qualified in our examinations and who are waiting for employment. They will be given employment as the necessities of the service require.

By the Chairman:

Q. Perhaps I may read one of the recommendations submitted to the Committee by the G. W. V. A. on this point. It deals with promotions. (Reads):

“That the intention of the recommendation, approved by the House of Commons, 1920, as to the status of civil servants, who enlisted, be given effect with special regard to promotion; and that, in promotional competitions, the same degree of preference be shown former members of the forces as in competitions for entrance to the service.”

I do not know how you will deal with that point, whether in promotional competitions, as they call it, you have the same rule?—A. No, the preference under the law applies only to entrance to the Civil Service. In the matter of promotion, the preference does not apply. As that resolution declares, the returned soldiers would like to have the preference extended to promotional examinations, but that is a matter for this Committee and for Parliament to decide. It is a matter of policy. As regards that, the Commission has no advice to offer. If Parliament decides that the preference should also apply to promotions, the law will, of course, be carried out.

By Mr. Copp:

Q. Promotions are made after competitive examinations?—A. In most cases. There is a rating of the qualifications of the various employees applying for the position, but there is no preference given to returned men.

By Mr. Green:

Q. In your opinion would it in any way seriously affect the work of the department if preference were given in the matter of promotion, or do you care to express an opinion?—A. Well, I would rather not. It is a burning question with civil servants.

By Mr. MacNeil:

Q. Is it not a fact that it is more and more becoming the policy of the Commission to make appointments by promotional competition within the service rather than by

[Mr. William Foran.]

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throwing the appointment open to applications from outside men?—A. Yes. I think it is desirable, in the interests of the service, that promotion should be made from the service if possible.

Q. Some of the recent appointments have been advertised, first in the branch, then in the department, and then in the service. If such a procedure is laid down, there is clearly no preference shown to returned men?—A. No.

The CHAIRMAN: I have a statement of the junior servants, not including stenographers, in the Dominion Water Power Branch, Winnipeg. It shows a list of all members of that service who were classified in 1917 under one heading, and classified in 1920 under a heading senior to that of 1917. None of those men served overseas, and every one of them was promoted. Then follows a list of those in the same office who served overseas. In that classification in 1920, there were 10 of them, and not one of them was promoted, and four of them were put in a lower classification than they were when they went in 1917. I think that ought to be put on record before the Committee because it deals just with the point raised.

Mr. COPP: Where is that from?

The CHAIRMAN: The Dominion Water Power Branch, in Winnipeg.

The WITNESS: We would be very glad to give you a report on these cases if you think it would help the Committee in coming to a decision as to the justice of the claim made by these employees. It is a matter of classification, of course.

By the Chairman:

Q. Is that a matter with which the Commission had to deal?—A. This is evidently a matter of classification. We classified these positions without reference to the men who were occupying them. It was a classification of duties, and not of men, and we should be able to give you an explanation in each case.

The CHAIRMAN: I think it would be well to let the Committee have that when they are considering the question of promotional examinations.

By Mr. MacNeil:

Q. In the evidence already before the Committee, reference was made to the appointment of an astronomer to the Dominion Observatory. Not so much by way of complaint, but as an illustration of the way in which the present legislation applied, would you care to discuss that particular matter, to show just how the law operates?—A. That would not be a good case to bring up, because I do not think any preference that could be given a returned man in that case would have justified the Commission in giving him the promotion, because he did not have the special qualifications required for that position. Both the Dominion Astronomer, and the Assistant Astronomer, stated that there was only one employee who possessed the special qualifications required for the particular position that had to be filled, and that was the reason the two returned men were excluded.

Q. Does not the present Act permit the Commission to establish a procedure of competition?—A. If there had been a returned man preference in case of promotion, what would have happened in that case would be this: An examination would have been prescribed, and papers prepared by the Dominion Astronomer, or some other well-known astronomer in the country, and the nature of the papers would have been such that the two returned men in question would not have got the minimum qualification. That case was very carefully considered, and held up for some time before it was finally decided to make the promotion. The Commission naturally sympathized with the returned men and gave their claims every consideration, and it was only after they had received the most convincing proof that neither of these men possessed the qualifications for the position that Dr. Henroteau received the promotion.

[Mr. William Foran.]

Q. Is it not clear that unless some amendment is made to existing legislation that returned men are being constantly penalized because of their absence overseas?—A. I am not sure that that is true. In my judgment the only change in the law in this regard which you would be justified in considering would be that in promotional competitions all things being equal the returned man, because of his service overseas, should be given the preference. It is, however, a matter which should be very carefully and seriously considered, if you desire to maintain the efficiency of the service.

By Mr. Douglas:

Q. As a matter of promotion, would you consider it in the best interest of the service that applications should be called for from outside the service?—A. No, I think they should be limited to the service; we want men of experience in these positions.

Q. You want to give an incentive to the men in service to get higher up, if possible?—A. Yes. If they have to compete against outsiders, it would not be fair to them at all, and the outsider would not usually be able to handle the examination paper on the duties of the position, having no experience in the service.

The CHAIRMAN: There are two special cases bearing on these particulars which have been submitted to Mr. Foran. I do not know whether the Committee want to go into the special cases illustrative of this particular difficulty. The memorandum prepared by the clerk of the Committee reads as follows:—

1. Corporal Horace O. Smith, 57 Ivy avenue, Ottawa, (No 145124) under dates of April 7th and 18th, states, that he was employed in the S.A. and A.P. Branch of the Militia Department when he enlisted on the 20th September, 1915; served overseas, returned and was discharged from Military service on the 11th March, 1919. He was re-instated in the public service, but is still on the temporary pay-list, thereby having no assurance that in the near future his services along with other returned men will be no longer required. He further states that he has been informed by the Commission that if he were appointed permanent he could be transferred to other departments where vacancies occur. He also further states that other members of his staff have been made permanent while he was serving overseas, although they saw no overseas service at all. Mr. Smith is married and had three children at the time of his enlistment. Claims he was never late once and was only three days out on sick leave since he was re-instated. That is his statement.

WITNESS: Mr. Smith was employed in the first instance in a branch that was on a war basis, a position which he knew was a purely temporary one. When he went in there he had no reason to suppose his service was going to be continued any longer than the war lasted. He enlisted, went overseas, came back, and was reinstated in his former position. The permanency of the position is a departmental matter. He may be made permanent, if there is a permanency for him. Of course, the department is responsible for recommending appointments which could be permanent. As far as we know, Smith is still in the service. If the Committee desire to know whether it is the intention of the department to make him permanent or not, I will be very glad to get that information for you, but, so far as I can see, Mr. Smith has no particular reason to complain, because he is in a better position than a whole lot of other men who were in the service, and have lost their positions.

By Mr. Green:

Q. Do I understand you to say that Mr. Smith's record so far as Civil Service is concerned only dates from the time of the war?—A. He went into a branch of the service which was on a purely war basis. He enlisted from that branch, went overseas, came back, and again went into that particular branch, while it was still only on a war basis. If there is any considerable number of employees to be retained

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in that branch, and it is desired to retain Mr. Smith, his name may be recommended by the department.

By Mr. Douglas:

Q. Have you any information as to whether any others in that particular branch have been put on a permanent basis?—A. A very small number. There has been a considerable change in that branch of the department. I understood they were not going to make any considerable reduction for some time, but I have learned recently, that, owing to a cut in the estimates, it was found necessary to demobilize practically the whole staff at the end of March; so that some two or three hundred men were thrown out of employment. There is still a small staff there and I presume they will make these permanent, if they are required as soon as they can.

By Mr. Cooper:

Q. These are not on the corps of the Military Staff are they?—A. No.

Q. Civilians?—A. Civilians, yes.

Q. What preference is given to disabled men, men with an amputation, who have lost an eye?—A. They are given an additional preference over and above the other returned men and are put at the head of the list.

Q. They are looked after, are they?—A. Very carefully.

The CHAIRMAN: The second special case is that of Private Emile Coté and the memorandum regarding him reads as follows:—

2. Private Emile Coté, (No 118697), 248 Louis street, St. Lambert, P.Q.—Submitted by Hon. Mr. Lemieux, under dates of April 5th, and 21st, states, that this man enlisted on the 22nd day of September, 1914, and was discharged on May 31st, 1919, after serving 42 months in the trenches. This man obtained a temporary position in the Montreal Post Office on the 5th of April, 1920, and worked there until the 15th of November, 1920, when he was dismissed. He further states that he passed his Civil Service examination in November, 1919; that it is practically impossible for him to find a position which will permit decent living; that he cannot do manual work, his strength being lost; has no trade whatever. He was a student at college when he enlisted at the age of 18 years. He is patiently waiting for reinstatement in the Public Service. He has no trade whatever.

WITNESS: We have a file of correspondence with reference to Emile Coté. His friends have been very busy in connection with this case, which is very laudable of course. He in common with many other returned soldiers passed a Civil Service examination. In that examination he stood 186th. There were 185 returned soldiers ahead of him, so that he was the 186th.

By Mr. Cooper:

Q. All over Canada?—A. No, this was in Montreal.

Q. Just in one place?—A. Yes. He was given temporary employment. Of course temporary employment is given at various times, as it arises. He was occupied during the time his services were required, and then he was let go; because of his position on the list he was let out. Subsequently he was given further temporary employment. The time will come when he will receive his permanent appointment. We are keeping him as busy as we can on temporary employment. The Post Office in Montreal cannot keep men on unless their services are required. He will be given temporary employment from time to time and eventually he will receive a permanent appointment.

By Mr. Douglas:

Q. If he is in the service at the time he will get permanent employment?—A. Yes, and if he is out of the service he will be offered the permanency. A great many returned

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men who have employment outside take our examinations and qualify for permanency, and they do not want temporary employment; they wait until their names are reached for a permanent appointment. They leave their names and wait for an appointment in a permanent capacity.

Q. Does that condition apply generally?—A. No, it applies to some. There are some who will take temporary employment waiting for a permanency. If while they are temporarily employed, the work of the department declines to such an extent that they must be released, the department has nothing to do but to release them; but when their time is reached for a permanent employment, they get it.

Q. I have a case where a man was temporarily employed in that way and I think was told by your branch that he was to be employed permanently, the department however thought differently and did not employ him.

WITNESS: For example, supposing that the Post Office of Montreal requires 25 or 30 men. Application is made to the Civil Service Commission, and we certify to 25 or 30 men who have passed the examinations, if they are available. These men may be available and they are given employment. Once they get in, they have an idea that they are permanent. The work may last only two weeks or a month, and immediately there are complaints. Their positions on the list remain the same if they have qualified in an examination for permanent appointment. We have given them preference in the matter of temporary employment simply because they did pass the examinations, but if they are able to carry on until such time as their names are reached, they receive permanent appointments in due course.

THE CHAIRMAN: Are there any other points which the Committee would like to go into?

By Mr. MacNeil:

Q. With regard to the reduction of staffs you say that the order of release is primarily determined by the department. There is no direct jurisdiction exercised by the Civil Service Commission.—A. No, if the department refuses to recognize the authority of the Commission we have no jurisdiction in the matter.

Q. What is the general order of release observed?—A. Civilians who have not passed an examination; returned men who have not passed an examination; civilians who have passed an examination; and returned men who have passed.

Q. You let out first the civilian who has not passed an examination. The next in order is the returned man who has not passed an examination; then you let out the civilian who has passed, and finally the returned man who has passed.—A. We are speaking now entirely of temporary employment, of which there has been a great deal during the past few years. In the case of permanent positions, there is no idea of letting out any employee unless the department's work has been taken away, and that does not happen to be the case at the present time.

By Mr. Copp:

Q. Take the case that you mentioned; 25 men are wanted to-morrow in the Montreal Post Office. You send in a recommendation, as I understand, and in two months' time, we will say, the 25 have to come out again. Is the list referred to you again, or does the postmaster let them out?—A. The postmaster lets them out, a limited number at a time, in the order I have given.

Q. Suppose that he does not do that; has the Civil Service Commission any control to see that he does?—A. We would have nothing to do with that, unless there is a complaint, when we would take the matter up with the postmaster.

By Mr. Cooper:

Q. Would not the postmaster be most likely to let out the least efficient, or is he bound by that order?—A. I assume that efficiency will always be a determining [Mr. William Foran.]

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factor. If he determined that the man who should go last was inefficient and should be the first man to go, the Commission would approve of that.

Q. That would not be along the line you have mentioned. Would the civilian who has not passed an examination go out first?—A. Yes.

Q. Now then, suppose that the soldier who has passed the examination is least efficient, and there is a civilian who has not passed, would the soldier get the advantage?—A. Well, I think he would be very slow to say that the returned man was not as efficient as the civilian. I think that the law is stretched to the breaking point to keep on the returned man.

By Mr. MacNeil:

Q. It is clear from the large number of complaints in regard to employment in the public service that there is a disposition to blame some one in the Civil Service Commission.—A. There is a disposition in some quarters to blame the Civil Service Commission for a whole lot of matters for which it is not responsible. It is evidently one of the privileges of the position to bear that blame, and we are not complaining.

Q. Would you care to define exactly the jurisdiction of the Civil Service Commission in regard to the employment needs of returned men, so that we may have it on record?—A. The function of the Civil Service Commission in this connection is to fill vacancies in the public service with the least possible delay and with the best qualified applicants, the latter consideration being subject, of course, to the preference extended by law to returned soldiers. It is not the function of the Civil Service Commission to create vacancies nor to find employment for all applicants, though the Commission naturally feels it its duty to assist in the amelioration of working conditions and in the treatment of the unemployment situation to the greatest extent possible.

Q. The Civil Service Commission, so far as direct control is concerned, merely deals with the entrance of returned men to the service?—A. That is all.

Q. Once a returned man is taken over by a department you have no longer a controlling interest in his welfare?—A. Not as a returned man.

Q. In the matter of appointments outside of Ottawa, to what extent have you found it possible to utilize the facilities afforded by the Employment Service?—A. We have found them extremely useful in connection with the temporary help required. Mr. Bland, the Assistant Secretary of the Commission, has been looking after the particular branch of the work, and he will be able to tell you exactly to what extent we have taken advantage of the Employment Service facilities.

By Mr. Douglas:

Q. Take the case of temporary employment in a post office, say, at Edmonton. The postmaster wants, we will say, ten men very quickly. What is done in that case?—A. He wires the Commission here, and if we have persons on our lists who have qualified, the names are telegraphed to him. If there are no names on the list, he goes to the Employment Office in Edmonton. It is our intention to keep the various Government employment offices supplied with lists of men who are qualified so that they may be assigned without wiring to Ottawa.

Q. Have you found that that is the practice,—that that is what they do?—A. Well, we have not had any complaints.

Q. Naturally there might not be any complaints because possibly the men would not know.—A. I think that on the whole we can say that the representatives of the departments are co-operating with the Commission in that regard.

Mr. MACNEIL: Perhaps Mr. Bland would make a statement in regard to the Employment Service.

The CHAIRMAN: Is it the desire of the Committee to hear Mr. Bland upon the Employment Service?

[Mr. William Foran.]

By Mr. Copp:

Q. Before taking up that matter I would like to be a little clearer as to the meaning of Mr. Foran's statement that release from employment is given in a certain order. From the answer given to Mr. MacNeil, I understood that a postmaster,—we will take the Post Office Department as an illustration,—has the power to retire men from temporary employment. Suppose that he does so and there are complaints, does the Civil Service Commission have any control over that; can they have an investigation to see whether the postmaster used proper care and diligence in the interests of the returned men?—A. Yes, we would have the right to investigate, and we do, wherever a complaint is made as to the treatment of returned men.

Q. If you get a report and you come to the conclusion that a returned man has been unfairly treated, what do you do then?—A. We take it up with the department after we have held an investigation. Where injustice has been done we have always found the department willing to reinstate the man or grant redress.

CHARLES H. BLAND called, sworn, and examined.

The CHAIRMAN: Mr. MacNeil wishes Mr. Bland to make a statement regarding the co-operation of the Civil Service Commission with the Employment Service of Canada.

By Mr. MacNeil:

Q. To what extent are the facilities in the Employment Service utilized by the Civil Service Commission to secure temporary help outside Ottawa?—A. Co-operation is what we have been striving after in connection with this matter. Our greatest difficulty in connection with temporary assignments has been to secure qualified men quickly enough for western and eastern points situated at some distance from Ottawa. The Commission has always been accused of being dilatory in filling such appointments, and we are now co-operating with the Employment Service offices throughout the country so that men may be selected and assigned with the least possible delay from the lists which we supply. In other words, we keep the employment offices acquainted with the names of the men who have qualified, and the Employment Service officers get in touch with these men, and when vacancies occur, assign the men from our lists. We have found that this system works very satisfactorily.

By Mr. Cooper:

Q. What are the various classes of men that you obtain through these employment agencies?—A. It is not that we obtain so many men from the employment agencies. We have usually an eligible list of men qualified for clerical and lower grade positions, and we supply the employment agencies with that list. The Employment Service agent gets in direct personal touch with the men so that at a moment's notice, he can see that John Smith or John Jones is available. Being a thousand miles away from the point where the men are required we could not do that very satisfactorily.

Q. In dealing with these men, is it immaterial whether the man has passed an examination or not?—A. The man who has passed an examination gets the preference. The returned soldier, of course, receives the preference in any case.

Q. Is it your opinion that this procedure when generally applied will overcome the objections sometimes voiced against the Civil Service Commission in regard to outside appointments that the Commission has not kept closely enough in touch with local conditions to make a proper selection?—A. It will remove that objection very largely. There are exceptional cases where no doubt objection will be taken, but it will assist in removing that objection very largely.

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Q. In what provinces has it been found possible to carry out that system?—A. It was inaugurated in Toronto, and was found very satisfactory. The local officials expressed the opinion that it was a decided step in the right direction, and that it gave them very satisfactory men with a minimum of delay. It was then decided to try it in the western provinces, and a representative of the Department of Labour is now assisting in installing the system and explaining it to the various employment agents from Manitoba to the Pacific.

Q. Some of the witnesses that have previously appeared before the Committee suggested that certain employments should be reserved for men with certain disabilities, and they referred particularly to work in the rural post offices. Under the procedure followed, have you found it possible to place such men in work of a suitable nature?—A. In many cases. One of the first considerations in regard to rural postmasterships is whether there is a returned soldier who is qualified and who will accordingly get the preference. If there are several returned soldiers, the preference is given to a disabled man if he is fitted to do the work. We have had the fullest co-operation in that regard with the post office officials themselves and also with the local secretaries of the veteran's associations.

Q. Have you found that the matter is complicated by local sentiment?—A. Usually, local sentiment is quite favourable to returned men.

By Mr. Arthurs:

Q. As a matter of fact, are rural postmasters usually recommended by the inspector?—A. Yes.

Q. And his information is based largely on what he is told by the postmaster?—A. Yes, but he is required, in every case to make a survey of the district, and in every case to secure a returned soldier if one is available.

By Hon. Mr. Spinney:

Q. I want to get some information in regard to the point if a returned soldier resided in the extreme end of the district, could he secure the appointment to a post office?—A. Yes.

Q. Or perhaps have the post office moved to another point?—A. It might be.

Q. To the discomfort of the people being served?—A. No.

Q. Would he be permitted to procure a residence in the centre of the district?—A. Yes.

Mr. DOUGLAS: There is no adequate compensation in a rural post office to induce any man to take it up.

By Mr. MacNeil:

Q. The present procedure does not make for the needy class?—A. Of course, in many cases, a disabled pensioner is induced to take a small post office with a meagre salary because he may have some other interest or remuneration in the place, and this is simply an addition which gives him a little more money.

Q. Any change in the procedure might upset the system?—A. The present procedure is certainly most favourable to the returned man, and an ill-considered change could easily prejudice his interests.

Q. With regard to amputation cases in certain branches of the service, how has it been found possible to find them any work that they can do efficiently?—A. In two ways; the Commission keeps in direct contact with the D.S.C.R. and the Pension Board, so that they have a list of men who are disabled, with full particulars of each case. When a vacancy occurs, the lists are scanned to see if there is a disabled man who can fill the position. If such a man can be found, he is assigned to it, or if he is not at present sufficiently qualified, an effort is made to place him in a department for training, so that at a later date he may get permanent employment.

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Q. A suggestion was made that when men were released from temporary work provision be made for their transfer from other branches of the service, and a similar classification of vacancies that may arise?—A. In every case where returned men are laid off government employment, the Commission endeavours to have them register their qualifications, their experience, and the class of work they desire, and when it can be done they are immediately placed in other departments. It must, however, be taken into consideration that for these other positions other returned soldiers are sometimes better qualified and they receive the preference. The man who has specially qualified for a position has the preference over the man who is not qualified.

Q. Mr. Foran referred to the case of men from the S.A. & A.P. branch. Taking that into consideration, if the Commission had been advised six weeks in advance, could they have absorbed a small number of these men?—A. A number of these men have been absorbed into the service. The men themselves could assist very materially if they would come direct to the Commission when they know they are going to be laid off, and apply for further employment, but they frequently allow time to elapse, sometimes a week or so, and then they come to the Commission and ask why they have not been employed. When they have come in the first place, as they are learning to do now, and register their desire for employment, the Commission has made every effort to place them again, and in many cases they have been so placed.

Q. Would an amendment to the present Act improve that procedure?—A. I think it will work out satisfactorily under present conditions.

MR. FORAN: Your suggestion is that returned men in the Service should be transferred from one department to another. That would exclude other returned men who did not happen to be in the service. They would feel that a man who had got in was being continued in employment to the exclusion of all others. Take the case of the Assigned Pay Branch. Suppose we have half-a-dozen positions to fill to-morrow. These are to go to returned men, of course; yet if we are to give these positions to the men let out from the Separation Allowance and Assigned Pay Branch rather than to the men who have qualified by examination, the latter would have a grievance. You might appoint these men, but the other men would want to know why they were left out because they did not happen to be in the Separation Allowance and Assigned Pay Branch or in the service before.

MR. MACNEIL: I was endeavouring to ascertain to what extent you eliminated the turn-over of labour.

MR. FORAN: It is pretty difficult to do anything in that regard at the present time because so many changes are going on in the service.

WITNESS: One of the difficulties has been that the lay-offs have occurred practically at the same time, so that you have had a large body of labour thrown on the market. If these lay-offs were made consecutively or in small numbers, the situation would be different.

Q. Would it be possible to regularize employment with the co-operation of the departments in the way recommended in industrial circles, in order to equalize, in a city like Ottawa, the volume of employment?—A. That question has been taken up with the departments; we have tried to ascertain the feeling of the departments towards what might be called interlocking or equalizing the various seasons in appointment. In that way labour supply would be absorbed to a much greater extent. I think it will work out in time, but at the present moment it is extremely difficult owing to the rapid demobilization of the war departments.

Q. With regard to the statistics of returned soldiers in the service, do they indicate the ratings according to salary?—A. That can be ascertained, if so desired.

Q. It is true nevertheless, that the great majority of them are in the lower classification?—A. No. I would not say that. I think possibly the majority are in the lower classifications, but a great number have received higher positions.

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Mr. FORAN: In fact, it would be safe to say, that all positions, high or low, have been given to returned men within the last few years, if there was one qualified. It is only the exceptional position for which we do not find a qualified returned soldier.

The CHAIRMAN: Are there any more questions for these witnesses?

You will furnish us, Mr. Foran, with the information we have asked for?

Mr. FORAN: Yes. I know pretty well what you want, and will furnish it to the Committee.

The CHAIRMAN: We are going to hear Colonel Regan on the question of Canteen Funds.

Witness discharged.

Colonel J. L. REGAN, called, sworn, and examined.

By the Chairman:

Q. The Minister of Militia suggested that we should consider the question of the disposal of the Canteen Fund, a great part of which is now in the hands of the Receiver General. We thought it was wise to get from the officer best posted some further information on this, and any ideas he may have with regard to disposal. Will you tell us generally the history of the fund, and what it amounts to now, and what it may amount to?

By Mr. Copp:

Q. What position do you hold?—A. Director of Pay Services. When we first went overseas there were two firms of army contractors who put in canteen funds in the various centres and they gave back to the units 10 per cent of the takings. This was not entirely satisfactory, and later on an Army Canteen Committee was appointed. This was later changed to the Army Canteen Board, and then to the Army and Navy Canteen Board. I am speaking now of England.

Q. What department made you change it?—A. The Imperials. On January 1, 1917, the Board was given authority to consult; previous to that they had only authority to advise—with the Minister. Under this scheme, if the troops supplied the building, they were entitled to a 10 per cent rebate from the gross taking. If the buildings were not supplied by the troops, it was 7½ per cent. Of this fund four-fifths went to the unit, and one-fifth to the central fund. Then, in addition, there were certain profits which went to the Canada Military trustees. That was a Committee formed by the Minister of the Overseas Forces, on November 20, 1917, composed of the Minister, the High Commissioner, and the General Officer Commanding the Canadian Forces in the British Isles, with the secretary-treasurer. We have had great difficulty in getting an accounting for these funds. The matter was very much involved, and the Imperial parties were very late in producing balances. With reference to the Army and Navy Canteen Board over in England, we got certain payments on account, and after a lot of correspondence and conversation with the officials of the Board, it was finally decided that we would leave the question to the president of the Institute of Chartered Accountants in England, to settle the terms of reference.

Q. Do you think it is necessary to get the history of this Fund?—A. Well, I want to make a point.

Q. We want the amount, and what we are going to do with it?—A. I cannot give you the amount. These gentlemen settled the terms of reference, and we employed a firm of chartered accountants to work out Canada's proportion under the reference. The Expeditionary Forces Canteens in France were handled up to a period in 1919. The British received one share, the Canadians one and three-sixteenths, the Aus-

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traiians one and six-sixteenths, and New Zealand one and one-sixteenth of the profits. That was based on the spending power of the various troops. The War Office had promised us a balance sheet for the Expeditionary Force Canteens. That is the practice in France, but that has not yet been received although certain payments have been made on account. So that you see the two funds from which we have received certain sums and from which we expect to receive further funds, are not yet closed up; so that we really do not know how much money we are going to have. At the present time we have 168,692 pounds. That is payments on account; and in addition the sum of 10,000 pounds that came from the War Office Moving Picture Scheme,—our share of the profits on that. Then, in addition, we have \$316,000 here in Canada that is made up from regimental funds—surplus funds of units who had no territorial affiliation, and who did not appoint trustees, units, such as command depots and that sort of thing. At the present time, we have roughly something over \$1,000,000, and it will be very difficult to estimate what further amounts will be received when these two other points are finally settled. That money is in the Finance Department on interest, and it is the intention to let it remain there until it is decided how the money is to be spent.

Q. Who will decide that?—A. That is up to your Committee.

Q. The returned men's associations have nothing to say about it legally?—A. You must bear in mind that this money really belongs to the men who were overseas. It represents profits made on money that they spent, so that I would consider,—it is my own opinion,—that they should have a great deal to say as to what should be done.

Q. Would you suggest that a committee of the returned men be appointed?—A. I think that trustees might be appointed, and that the money should be kept separate from all other funds and used for the benefit of the dependents. I can give you the Australian scheme. They have a committee, and it is administered by the A. E. F. Canteens' Fund Act, 1920.

“The funds consist of surplus moneys resulting from canteen trading in the United Kingdom, France, Flanders, Egypt, Australia, and on the troopships. Disbursements of canteen funds are entirely irrespective of other grants or provisions of repatriation. Those eligible are widows, orphans, or other immediate dependents of deceased soldiers, and also by the more seriously disabled soldiers. The claimants must be in a real need of assistance. It was arranged that distributions should not commence until November, 1920, in order to insure that fair and equal treatment be extended to all who are entitled to consideration.”

That is administered by districts.

By Mr. Douglas:

Q. By military districts?—A. Yes.

By the Chairman:

Q. We have on file the canteen claims in Australia, and the forms, which the Committee may like to see when they go into executive session on this matter.—A. New Zealand has its money in the hands of the Minister of Finance.

Q. What are they doing with it in New Zealand?—A. I have no information as to the decision they have arrived at.

The CHAIRMAN: We have two suggestions on this point; one from the Dominion Command of the G.W.V.A. passed at their convention, that these funds should be vested in trustees, the income therefrom to be devoted to scholarships for the education of the children of soldiers for a term, I think, of 25 years, and thereafter to scholarships generally, throughout the country. Then there is a resolution from the Calgary branch of the same Association that there should be a board

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of commissioners vested with adequate powers to investigate the past and present condition of this fund, to determine the balance now held in trust, and to make such recommendations to the Government of Canada as will cause all records to be made available to the public and the funds finally disposed of to the benefit of returned soldiers and their dependents.

Mr. DOUGLAS: That last resolution would indicate that they are not satisfied with the return.

The CHAIRMAN: There can be no doubt, as Colonel Regan has said, that there has been tremendous dissatisfaction in Britain on this point. Charges have been made in the Imperial House that there has not been a sufficient accounting. I have here an editorial from the London "Times" of February 10, on this point. Whether we should make independent inquiries on behalf of Canada in Great Britain is a question that the Committee will have to consider.

By the Chairman:

Q. Who represents Canada in this matter?—A. The High Commissioner.

By Mr. Arthurs:

Q. What disposition was made of the fund of the reserve battalions in England?—A. If they appointed trustees, the trustees would have the power to administer this fund. There are a lot of reserve unit funds in this \$300,000. Personally, I think that the action which has been taken in regard to this fund by an independent chartered accountant and by an independent man fixing the terms of reference, there cannot be done very much more for Canada. The only thing is to speed them up.

By the Chairman:

Q. I understand that we have Colonel Ward, who was more or less in charge.—A. He was Secretary-Treasurer of this fund.

Q. He is now living in England?—A. Yes, on a pension.

By Mr. MacNeil:

Q. Is it true that there are about £10,000,000 for which as yet there has been no accounting?—A. No, I think that is rather a broad statement. I would not like to say that that was true. The question has come up about the reserves, and at one time, before this arbitration, the Army and Navy Canteen Board made representations that a certain amount should be set aside for the financing and the starting up of an institute in England. That was taken up by the late Deputy Minister, and the point was dropped. A final accounting of both of these units has not yet been made to the Imperials.

Q. A statement was made in an editorial that about £10,000,000 of the Army and Navy Canteen Board profits could not be definitely produced. (Reads)—

"The £10,000,000 balance of the E.F.C. profits cannot be definitely produced by the A.N.C.R. because it is involved in difficulties in which the War Office shares some responsibility."

—A. That was taken up in the British House of Commons three months ago. All the information I have on that is from an extract from "Truth," that it was denied by the responsible officer on the floor of the House.

Q. Is there any danger that the Canadian share of this fund may be employed for the continuation of canteen work among the permanent forces of the Dominion?—A. No. That point was taken up before it came to arbitration.

Q. Is there any danger that there will be a deduction from this fund for barrack damages done by Canadian troops?—A. Not barrack damages, but damages to canteen property. A committee was formed in England to inquire into all these things. For

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instance, a theatre at Witley camp was destroyed by our troops. The claim has been put forward that from the Canadian share of the profits belonging to the A.N.C.B. the damage should be paid for. The other claim that has been made was investigated by our General Auditor and by our Judge Advocate General before we came over.

Q. What adjustment was made in regard to deductions that were sometimes made for ordinary barrack damages?—A. Ordinary barrack damages were handled regimentally, and we came to a sort of "saw-off."

By the Chairman:

Q. We have been making some payments in England to destitute soldiers, I believe?—A. Some £30,000 has been advanced to the High Commissioner which he has been using in looking after destitute Canadians and deserving wives.

By Mr. Copp:

Q. On whose authority was that money advanced?—A. On the High Commissioner's authority. It was absolutely necessary within the last two or three years to have some fund for immediate cases. A few pounds would be given out to help a wife.

By Mr. MacNeil:

Q. What regulations were provided for these disbursements?—A. No regulations other than that every case was investigated by the Soldiers and Sailors Families Association. It was left to the High Commissioner and to Mr. Barryman, an old English gentleman over there, who worked without a salary thinking he was doing loyal war-work. He investigated all these charges. Latterly, Captain Pickup, one of the chaplains, was looking after it for the High Commissioner.

Q. Was any portion of it used for repatriation purposes?—A. No, offhand I would say no.

By the Chairman:

Q. Are these payments still continuing?—A. They are because some of the fund that was placed in Sir George Perley's hands before this money was turned over to the Receiver-General is still unexpended.

Q. That is, in addition to the totals you have given us, we have to deduct those payments?—A. No, I have included that. I have given you the totals of the actual cash we have in hand. We have over \$1,000,000.

By Mr. MacNeil:

Q. You spoke of two sources from which this fund was derived, the surplus of the regimental fund, and the surplus of the canteen profits.—A. There are three sources. The Expeditionary Force Canteens in France were administered separately until 30th April, 1919, when they were taken over by the Navy and Army Canteen Board. There were the canteen profits in England, the Army and Navy Canteen Board, and the Regimental Fund for units who had no territorial affiliation or trustees.

Q. Were there not contributions by the Y.M.C.A. canteens?—A. The Y.M.C.A. is entirely separate of any connection with the Forces in that way. Anything that the Y.M.C.A. was doing was entirely a matter for them.

Q. Did they state in their balance sheet the contributions made to the units?—A. I cannot say as to that. If they did it would not affect this question at all.

By the Chairman:

Q. These contributions did not go into this special fund so far as you know?—A. No.

[Col. J. L. Regan.]

APPENDIX No. 2

By Mr. MacNeil:

Q. What disposition has been made of the Depot Battalions Fund?—A. It is with the Receiver-General.

Q. Is that included in your figures?—A. Yes, the Depot Battalion Fund in England is only \$300,000, and in addition there is \$100,000 odd that was deposited in Canada for units in depots around Canada. That \$300,000, of course, may be subject to small balances, but I would not say that they would amount to more than \$1,000. We are still investigating different charges against units.

By Hon. Mr. Spinney:

Q. Have you any knowledge of the Regimental Canteen Funds created by regiments themselves that have not been accounted for?—A. The question of accounting for every unit recruited in Canada which was presented with certain donations would be a matter for the trustees of that unit. Under their trust agreement, they must use that money for the benefit of soldiers or dependents;—that is, every unit that went overseas. Before they could come home they had to produce all their documents and books to our General Auditor, and a monthly inspection was also carried out of all messing and canteen management accounts by the General Auditor overseas; so they must account for them if they ever got overseas.

Q. The case I have in mind is that of a regiment in Nova Scotia which had \$500; I understand, on deposit under trusteeship of the Colonel of the regiment. He is anxious to be relieved of any responsibility.—A. Have trustees been appointed?

Q. I do not know that.—A. If you would give me the particulars of that, I would write and advise what should be done, if no trustees have been appointed. If they have trustees, they have a legal right to say what should be done with them.

By Mr. Wilson:

Q. Did Colonel Regan inform us on whose authority this money taken from this fund was used to help indigent cases?—A. By the authority of the trustees.

Q. If you were to continue to use that fund to help indigent cases overseas long enough, there probably would not be any of it left?—A. It is not the policy; it is only helping very urgent cases.

The CHAIRMAN: I understand a definite sum—thirty thousand pounds,—was set apart, which has not been expended, and that no more than that is to be spent.

Mr. WILSON: It has been set apart for that purpose.

The CHAIRMAN: Yes, and it has been deducted from the figures he gives us now.

WITNESS: And eight or nine thousand pounds of that is still available.

By the Chairman:

Q. We have different sources from which these moneys come; one, the Military Forces of France, and another.—A. The Canadian Army Canteen Board.

Q. Can those be dealt with as to disposition, absolutely on a parity, or is there any distinction as to the disposition of these if we make suggestions?—A. No sir, as the moneys all come from the same source,—the profits.

Q. Should there be any difference in the disposition of the \$316,000 you have here?—A. No. It is easier or more possible to distribute that to the individuals than the other two larger amounts. In the case of a unit with trustees, they may use that for the members of their unit. They brought their money back with them, but this \$300,000 belongs to every man in the reserve depots and so on.

By Mr. MacNeil:

Q. In Canada and overseas?—A. Yes.

Q. And hospitals as well?—A. Yes, and units formed in France, and temporary work-shops.

[Col. J. L. Regan.]

By Mr. Douglas:

Q. Have you found these returns have been made from Canadian depots to this fund in the receiving depot in every case?—A. I really could not speak of that definitely because it was settled before I came back, and this sum had been deposited, and there is a Regimental Fund Board here, and no doubt every unit has made a return to that Board.

By the Chairman:

Q. Who is at the head of that Board?—A. Colonel Sherry was the last.

By Mr. Douglas:

Q. Colonel Ward was looking after the Regimental Fund for a while?—A. No sir, that was the Militia Department section.

By Mr. MacNeil:

Q. Did any of the depot battalions appoint trustees in Canada?—A. Yes, some of them.

Q. Were the trustees were appointed, that took the administration of the fund beyond the jurisdiction of the department?—A. Under the trustee agreement they must not spend any of this money except for the benefit of the ex-members of the forces or their dependents.

By the Chairman:

Q. It would depend on the trustee agreement; they would have to carry it out in accordance with the trust, more or less?—A. Yes.

Q. And we do not get the fund into the general pot?—A. No.

By Mr. MacNeil:

Q. Has it not been your observation that there are scattered throughout Canada a great number of funds ranging from \$500 to possibly \$10,000?—A. Yes, but trustees have been appointed for all these.

Q. Would it not be fairer to endeavour to consolidate these funds? Some are being spent foolishly.—A. And some are being held.

Q. Is it not true that in a large number of cases they simply do not know what to do with the money? (No answer).

By the Chairman:

Q. What would you think of legislation being put through enabling these trustees by payment into the central fund, to get their discharge and let us clean it up?—A. If they so desire.

Q. You could not force it?—A. Take an officer in command of a battalion overseas, who brought home certain funds. By good administration they make quite a large profit by it. I do not think it is fair to take that out of his hands, because legally we permitted him to carry out the trust agreement.

MR. ANDREWS: I was one of the trustees for my own regiment, and I may say that fund has been exceedingly useful to us.

By the Chairman:

Q. Would you care to make any suggestion as to what in your idea would be the best way of dealing with these funds?—A. My personal opinion would be,—but it won't be taken as the opinion of the Department,—that the trustees should be appointed to distribute this to the needy cases of ex-members of the forces, or their dependents, and that it should be administered to the Military Districts and that the returned soldiers should have a larger representation on that local committee.

[Col. J. L. Regan.]

APPENDIX No. 2

Q. You mean to those cases not reached by any other?—A. By any other fund, separate and distinct from the Patriotic Fund and all other funds of that nature. On the other hand, the suggestion of the G.W.V.A. is a good one, but I do not think it goes far enough. With regard to the question of scholarship, lots of men will not be able to send their children to school long enough, and they would not be eligible for scholarship, unless you put the scholarship right down in the lower grades of the school.

By Mr. MacNeil:

Q. The question has been raised with regard to the men who are now overseas as to the loss they suffered under the exchange. Would you care to offer any comment as to the situation in that regard?—A. That is really a matter for the Finance Department. We obtained our funds from the Finance Department, and accounted for them at the par rate of exchange. We received representations asking for an adjustment, but we were powerless to do anything other than to submit it to the Finance Department.

Q. Is it true there was a loss?—A. That all depends upon what the Government pay for their funds, and how they obtained their funds.

Q. The man that served for \$1.10 a day—did he receive that \$1.10 in adjustment of his account for every day of service?—A. He received the sterling equivalent at par. In France he received the French equivalent at market rate of exchange monthly.

Q. Was there not a period in which he received a great deal of it at the rate of exchange in England?—A. For the first two or three months of the war we paid out \$5 a pound, then the accounts were adjusted at \$4.86 a pound.

Q. Throughout?—A. Yes. That only applied to the First Contingent for two or three months until we were getting settled down.

By the Chairman:

Q. I understood from Mr. MacNeil that at a certain period of the war men were being paid at the prevailing rate of exchange; that is not so?—A. No.

Q. They did not receive any great bulk of pay in France?—A. Well, they received about half if they so desired.

Q. And got five francs to the dollar?—A. Well, the man got five francs—not exactly five francs to the dollar, sometimes more and sometimes less. It was the market rate in France.

By Mr. MacNeil:

Q. Your statement is rather contradictory to the previous statement made by the department. Was there not some period of time in England when they did not receive the prevailing rate of exchange? It was a contentious point.—A. I think you are referring to our first arrivals. The first month or so we paid out \$5 to the pound, and then later on, we adjusted it to the par rate.

By Mr. Green:

Q. You never paid less than the par rate?—A. No.

By the Chairman:

Q. \$5 to the pound would be less than par?—A. At that time I think the exchange was around \$5.

The CHAIRMAN: Canadian money was at a discount at first.

By Mr. MacNeil:

Q. Is it true that your department has made an investigation of the subject and computed the amount of loss involved?—A. Not officially, no.

[Col. J. L. Regan.]

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Q. A statement was made that about \$5,000,000 was the amount of the adjustment?—A. From my own information I know about the cost and the amount it would take, and so on, but I have never been asked to do that, and the question of adjusting the exchange is different, in so far as the department is concerned.

Q. Is there not an adjustment also of War Service Gratuity overseas?—A. No, the War Service Gratuity could be paid here if the parties so desired, but the question of the adjustment of the exchange, in so far as we are concerned, was a matter entirely for the Finance Department.

Q. Another question upon which you may have information; with regard to the men still overseas, some pressure has been invoked to secure the repatriation of men who accepted a discharge in the United Kingdom?—A. I have no information on that. The only information that I have is that when a man obtained his discharge in England he went at it with his eyes open, and had to produce sufficient evidence to show he would not be a charge on the public over there, and that he had a job; but there may have been some agitation on foot to repatriate him at the expense of the Government, now that he returns to work. I have no information on it.

Q. A certain number of men were forced to accept their discharge because they were unwilling to accept a delayed sailing owing to domestic circumstances?—A. I would not say. There might be a few odd cases, but you must remember that we had a particular pool at Buxton for such men, and if their wives were ill, or there was any just cause, the man was put in that pool and held over until he got the matter adjusted.

Q. Has the department any estimate of the number of soldiers seeking repatriation now?—A. Not to my knowledge, no.

Witness discharged.

The Committee adjourned until Wednesday, 27 April, at 11 o'clock.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

WEDNESDAY, April 27, 1921.

The Special Committee appointed to consider questions relating to Pension, Insurance, and the Re-establishment of Returned Soldiers, met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other Members Present—Messrs. Arthurs, Béland, Brien, Cooper, Copp, Edwards, Green, MacNutt, Nesbitt, Redman, Savard, Spinney, Turgeon, and Wilson (Saskatoon)—15.

The CLERK: In the matter of communications, I have from the Soldier Settlement Board four different statements, two of which were received yesterday, and two this morning. Copies will be distributed to the members. I have also a communication from the Army and Navy Postal Association. This, I presume, will be referred to the sub-Committee on Correspondence.

The CHAIRMAN: In addition, we have received a great number of telegrams from various sanatoria and hospitals on the question of the equalization of pay and allowances. That will come up when we consider our findings. We were to have heard Mr. Adams to-day on the question of housing. Unfortunately, he is out of town this week, but we may try to arrange to hear him, if the Committee deem it necessary, sometime next week. We were to go on to-day, I think, with the evidence of Major Barnett, the Chairman of the Soldier Settlement Board, in so far as the suggestions and recommendations of the G. W. V. A. are concerned.

APPENDIX No. 2

Major JOHN BARNETT, recalled.

The CHAIRMAN: I think the best plan will be for you to read the recommendations and give us your opinion thereon.

WITNESS:

"That the benefits of the Soldier Settlement Act be extended to all those honourably discharged from the C. E. F. regardless of field service."

So far as the board is concerned, we are in a position to handle any man whose service was only in Canada, without adding to the administrative costs. It is largely a matter of policy as to whether or not the Act should be amended to cover this particular group of men.

By Mr. Nesbitt:

Q. Are the men who served only in Canada closed out from the benefits of the Act, or otherwise?—A. Yes.

By the Chairman:

Q. Have you any information as to the additional number of men who would be included if this recommendation were adopted?—A. We have no information on that whatever.

Mr. EDWARDS: I have representations from one gentleman who has taken up a farm, and who would like to take advantage of the loan. The man was employed at the Royal Military College for a number of years; he was eager to go overseas, but was not permitted to go. They absolutely refused to allow him to go overseas because of his value for instructional purposes. He never left Canada and therefore he is excluded.

Mr. COOPER: I know of a number of men who are in the same position. I have always thought, considering that this is a colonization scheme, that it is very unfair to the men who wanted to go overseas but were prevented from going. I have always advocated the extension of the benefits of this Act to those men.

The CHAIRMAN: It is a matter of policy, as Major Barnett says, for this Committee to consider. If there are any questions that members of the Committee would like to ask in order to gain further information on the point, no doubt Major Barnett will be glad to answer them.

By Mr. MacNeil:

Q. From your observation, would it be practicable?—A. Oh, yes. There are no difficulties from an administrative point of view. It is exactly the same work as we have been doing; in fact, it might be a little easier in some ways; in testing the man because he has been in Canada all the time.

Q. Does the present capitalization of the scheme permit the carrying of this additional burden without any further drain on the public treasury?—A. It would mean more money for every loan. Every extra loan that is granted means more money. I do not know exactly what you mean. Do you mean, would the estimates for this year be sufficient to carry it?

The CHAIRMAN: Perhaps Mr. MacNeil had the idea that you have a certain working capital.

Mr. MACNEIL: I mean initial outlay. Would there be any great immediate drain on the treasury, or would the returns from the other loans enable you to carry this extra burden?

The CHAIRMAN: The repayments go back to the Receiver-General.

[Major John Barnett].

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WITNESS: We have no working capital at all. The only working capital is each year's appropriation for the year's work.

Mr. NESBITT: Mr. MacNeil means would it increase the amount required for the loans?

The CHAIRMAN: We cannot get an answer because we do not know how many of those men would take advantage of the scheme.

Mr. EDWARDS: I think that in giving consideration to this matter it may be worth while to consider the fairness of making some distinction between, say, the man who never left Canada and who was only in uniform perhaps for a few weeks, and the man who was obliged to stay here under orders to carry on instructional work. Some distinction might be made, I think.

The CHAIRMAN: No. 2 reads:

"That the Soldier Settlement Board make arrangements for the power breaking of wild lands in any locality, where there are a number of soldier settlers; the cost of said work to be charged ultimately to the settlers receiving the benefit."

By the Chairman:

Q. What is your idea of that?—A. The opinion of the Board is that it is not feasible nor desirable to provide for power breaking. Experience has shown us that the attempt to operate machinery or to operate tractors by the board is very difficult. It is almost impossible to operate gangs of tractors for the purpose of breaking. The expense would be very great, for one thing. Our settlers, while they are apparently collected sometimes fairly closely in localities are, after all, scattered a good deal. They are not bunched together in any way, and the expense of moving tractors around to do this breaking for the men would be very difficult. The thing we are endeavouring to do now is to encourage the men to work with their own equipment and to do the breaking themselves.

By Mr Nesbitt:

Q. You allow them so much?—A. Yes. Instead of giving a man a "grub stake" as we did in 1919, we say, "get out and work on this farm, and improve this farm and we will pay you for this work, and add it to your loan."

Q. You allow that?—A. Yes. Of course, there are scrubby districts where sometimes power machinery is necessary for a man to make progress quickly; but at the present time, with the markets as they are, the man had better do the work himself, or get it done in that way rather than bring a whole lot of land under cultivation at once. In other words, we advise him to go slowly and according to his means.

By Mr. MacNutt:

Q. They had better stick to the horses?—A. Yes.

Q. They had better even stick to the oxen.—A. Yes.

The CHAIRMAN: No. 3 reads:

"That the Soldier Settlement Act be amended so as to permit all returned soldiers, who have had service overseas, to become eligible for a soldier's grant of 160 acres irrespective of their present holdings or liabilities under the Act."

WITNESS: That is largely a matter of policy too. As the Act now stands, there is a section which prevents a man from getting a soldier's grant if he has had a loan for certain purposes, such as the removal of encumbrances, or the purchase of land. In other words, if we bought the land for a man, he could not have a soldier's grant on the land.

[Major John Barnett].

APPENDIX No. 2

By Mr. Nesbitt:

Q. Do you give soldier grants of land?—A. Soldier grants are given, but they will not be given to a man who has had purchased land—for whom we have purchased land. A section of the Act distinctly prevents the Board from permitting a man to operate this land and at the same time take up a soldier's grant. They are on the same basis as homesteaders. Sometimes a loan is placed against them, sometimes not. It depends on whether they pass inspection. We have granted loans on something over 3,000 soldier grants. There are 5,300 more returned soldiers who have filed on the land on which no loan has been granted. Some of them have never asked for a loan, and some of them do not want it.

By Mr. Arthurs:

Q. If a soldier has repaid the loan, would he be debarred from taking that?—A. Yes.

Q. Why?—A. He is still a soldier settler although he has paid his loan. He has been established under the Act and is through with it. This is a matter of policy. The only way in which it would affect the Board particularly is that we would not want to see a man take up his soldier grant six miles away from land we have purchased. In other words, we would not want to see him getting land just for the sake of getting it, and thus break up his farming operations. But if his soldier grant could be obtained alongside his other land so that it could be operated as one farm then it becomes only a matter of general public policy, as to whether he should get that or not. The Board has no objection to make so far as the matter of broad policy is concerned.

By Mr. MacNutt:

Q. Are there many cases where free land was obtained? Is it not generally in the north where the lands are free that they get these soldier grants?—A. I would say this much, there would be very few cases where a man could avail himself of this provision if he were going to operate the farm he had bought. It would not meet the needs of very many men.

Q. He might not be eligible for a homestead, and might not purchase land from you, but be eligible for this 680-acre grant in the North.—A. Yes. There is nothing to prevent a man from taking up a soldier grant. Our qualification is very limited, so far as taking up soldier grants is concerned. Of course, the man comes in and works the land—then we determine his qualifications, and the mere taking of a grant is almost a matter of form.

By Mr. Nesbitt:

Q. He can do that, if he wishes, on his own responsibility?—A. Yes, but we will not undertake to give him a loan.

By Mr. Edwards:

Q. A question I would like to ask is: take the case of a man who owns the property and who has taken your grant from the Board to help him out, and subsequently pays off the whole of his liability. In the meantime, having come under the provisions of the Settlement Board's regulations, he loses the mineral and oil rights—is there any proviso to entitle him to the oil and mineral rights?—A. Not by the Board. Our powers are governed by the Act and we have no option but to reserve it to the Crown.

Q. That is in the case of a man who owned his land originally?—A. There is no difference; if we give a title or if we purchase that from him—it would be treated the same. Section 57 says there shall be reserved to the Crown all mineral and mining rights, so we have no option in the matter at all.

[Major John Barnett].

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By Hon. Mr. Spinney:

Q. Would it be optional to the man already holding property?—A. To a man who owns his own property and has got a soldier's grant.

Q. He can demand it?—A. Yes.

Q. Would not that enter into the speculative element?—A. No, not generally speaking, but at all events he is entitled to the benefit of the Act.

Q. But he could not operate the two successfully?—A. No.

Q. Then it might develop into something of a speculative character?—A. In cases of men owning their own land it is very limited. We would not buy for a man whom we had purchased land for—it is only the man who has his own land, and even then if there appear reasons why he should not get the grant, he would not get it.

By the Chairman:

Q. Now, Suggestion 4: That the 10 per cent cash requirement be now eliminated.—A. The figures you have before you on the circular show that we could not eliminate the 10 per cent safely.

Q. You have already expressed your view in this regard?—A. Yes.

The CHAIRMAN: That is a very interesting table you have submitted. No. 5:—

“That soldier farmers in the United Kingdom be placed on an equality basis with ex-members of the C.E.F., in respect of the benefits of the Soldier Settlement Act.”

Explain what that means.—A. There is a 20 per cent requirement now on land and also a 20 per cent requirement on stock and equipment. In addition, there is a training period—by training I mean a practical experience period. A man from the Old Country must secure practical experience in this country before we will advance money on his behalf. That time is not fixed at any particular length or period. We usually speak of a year on a farm here, but if a man shows undoubted capacity it might be abridged slightly, but the regulations are based on the fact that he must have a year's experience in this country before we attempt to advance public money to him. That is the difference between the ex-members of the C.E.F. and the United Kingdom soldiers.

Q. If he proves to be qualified what is the object of the 20 per cent?—A. We can only qualify him on his experience; and his whole experience before has been in the Old Country. There is a great risk about that—we take a greater risk with Imperial soldiers than with our own men, and furthermore, in addition to that, until it is seen how these men turn out, you would not want to launch too much money on them.

Q. Have we got any figures as to the number of the Imperial Soldiers taking advantage of the Settlement Act?—A. No, none have been granted lands—they are all in the experimental stage now—they are securing their experience now—that is, the men who have come out.

Q. To go on the land—it is a very wise precaution. Do you demand a deposit?—A. Not now. When we maintained the London office we required a deposit before they left there—£200, but we did away with our London office and now the man is only required to deposit his £200 when he comes to us.

By Mr. Edwards:

Q. Supposing a number of men came out and deposit 10% on farms purchased, and saw fit to get out within twelve months—speaking generally, would the government be pretty well secured by that 10%?—A. Well, we have not, in the aggregate, lost money yet with only 10% margin, in my opinion 10% is no marginal security—it only allows for a difference of opinion in the appraised value of the land.

Q. It makes no allowance for overhead charges?—A. No.

[Major John Barnett].

APPENDIX No. 2

Q. Is there any allowance made to these British soldiers while being trained or qualified?—A. No. We endeavour to place them and they earn what they can.—If a man is able to handle horses and farm machinery it is not difficult for him to get work. The most difficult case is that of man who comes out with a very large family, and it is a puzzle sometimes to know what to do with him. He can get work himself, but he has his family to look after.

By Mr. Nesbitt:

Q. You make no allowance?—A. No.

Q. If you had some way of making that public—if you secured a number of married men with experience you would have no trouble in placing them in our section of the country,—we prefer to get married men?—A. We are doing that through our office. Of course, we have not had a very large number. We have had to place about 400 altogether of these men.

By Mr. MacNutt:

Q. Would they all have houses?

Mr. NESBITT: Oh, yes, they would all have houses.

The CHAIRMAN: Now, No. 6—

“That the loan for permanent improvements be increased to \$2,500”.

WITNESS: I do not know whether that should be increased to \$2,500. I think it would be very unwise for any returned soldier settling on land to undertake an obligation of \$2,500 for unproductive overhead in case of doing any improvements. By section 59 we can inter-change stock and equipment; take a poultry plant where he needs more in the shape of building than on a general farm there can be less granted for stock and equipment and more granted for permanent improvements—the two are interchangeable, so it meets the man on the specialized line of farming or the man who needs more for his buildings. But there is a great tendency for men to stick the whole permanent improvement loan into his house—it may be necessary from a living point of view, but he cannot afford it. Of course, there are \$3,000. You have the stock and equipment and permanent improvement—that is one loan practically; section 59 practically makes them one loan, and \$3,000 is the maximum. Now, a man can barely equip himself on the ordinary western farm with stock and equipment for that amount of money; at least in 1919 and 1920 it was almost impossible for him to get the necessary commodities of life. That has changed now some on account of the drop in prices of stock and feed and things of that nature. I think it is debatable that an increase of possibly \$500 should be made, but on the other hand, it is also debatable whether the man can carry any more—that is the point of the matter—to carry it and come out on top. It is debatable whether the \$3,000 in two loans should be increased to \$3,500, but the danger is that men want to get in and get the whole \$3,500 and then they cannot carry it.

By Mr. MacNutt:

Q. For one thing, lumber is coming down a little?—A. Yes.

The CHAIRMAN: No. 7:—

“That settlers under the Soldier Settlement Act be relieved of the obligation of permanently residing on their land until it is ready for crop.”

WITNESS: That is practically in force now. We do not necessarily require the man to go on the land until there is some use in his going on the land or until there is something he can do there. At the same time we expect a man to be employed at farm work or at something that will be of some use to him. In other words, we do not want a man working in a bank in a town, for instance, and buying land as a

[Major John Barnett].

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matter of speculation. We have to be careful of that—that the buying of land for speculative purposes be eliminated; but the man who is going on the farm intending to become a farmer, is met in that particular just now.

By Mr. MacNutt:

Q. I know a case where a young man wanted to make a home for his mother. He got land from the Board and he is working on a railway getting big wages. He does not want to go on the place permanently until next fall. He feels he can earn enough money to build a new house. He spent \$500 or \$600 working there last summer. Will he lose the benefit of that if he does not go on at once?

WITNESS: Do you know how long it is since he took up the land?

Mr. MACNUTT: I think it was last spring—he did a lot of work there last summer.

WITNESS: We have been very generous in determining that in favour of the man. He is generally given a year's extension if he puts in a reasonable amount of work and if he "comes through" and improves the land and holding. I do not know of a case where a man has been closed out on that score, except a man who was not giving evidence of good faith.

Q. This man was recommended by a supervisor, I think.—A. They are always referred to the supervisor.

Q. He asks, why does this man not go on to the land when he is obliged to? They think it is discrimination in this man's favour, but I think that in this particular case it would be a great benefit to the man to earn all the money he can. He would want less from the Settlement Board.—A. That is true in individual cases, but there is this factor that the Board has to consider very carefully in operating. That a man who is not on his land and who is being given special consideration in this way is a disturbing factor to settlers who are on the land. We find that the man who has not left his land, who has stock to look after and has equipment on which we have advanced money, when he sees another man earning money, he wants to get off the land too. It is a disturbing element in that way.

By Mr. Nesbitt:

Q. Suppose that you grant a loan to a man on a farm—a raw farm—and he has to do the breaking. You have not yet made him any loan on stock or implements. After he gets his breaking done in the spring, would you allow him to work for his neighbours?—A. Absolutely. In fact, we encourage the men to do that if it is possible.

By Mr. MacNutt:

Q. That is only temporary work, but this man has got a job by the month.—A. I understand that this man has been allowed to stay off his farm for a whole year. He has been given a year in the first instance, and he is not on the farm.

Q. He has been on it, but not permanently. He has got a good job, and is making good wages, and he wants to make this money himself rather than borrow from the Board.—A. Well, if he has done substantial breaking and improvements on the land, I do not think he will be disturbed.

Q. He has been given until about April 1, I think.—A. We give notice in order to make the man put in his advance, to show the man that we are watching him, but when his case comes up for consideration, every consideration is given to the man who has a legitimate ground for not going on.

Q. May I send you the particulars of that case?—A. I will be very glad to have them.

The CHAIRMAN: No. 8 reads:

"That returned soldiers who are qualified farmers be granted the right to purchase irrigated lands in Southern Alberta, without the special training at present required."

[Major John Barnett].

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By Mr. Nesbitt:

Q. What does that mean?—A. We will not grant a loan on irrigated lands in Southern Alberta unless the man has had experience in irrigation work. In other words, we do not think that a man should be established on irrigated land in Southern Alberta unless he knows something about handling an irrigation proposition.

By Mr. MacNeil:

Q. Is it not true that you grant loans on irrigated lands in British Columbia without that requirement?—A. In Central British Columbia practically all the lands are irrigated, and all our supervisors there are specially qualified to assist a man in irrigation work. We would have to build up a special staff of men competent to supervise and advise in irrigation matters. The men in British Columbia are irrigation men themselves. There is another reason, of course, why I personally think that irrigated lands in Southern Alberta should not be bought as a general rule. The price of the land is too high for a returned soldier with no capital of his own to attempt to make it go. He could only get a small section of land and he has to farm that land to the very best advantage if he hopes to clear himself. In Calgary, as superintendent of the Calgary office, I set my face decidedly against granting loans on irrigated propositions for that reason. A man can only get 80 acres under the limitations of the Act, and without capital, except he borrowed, it is too difficult for him to hope to succeed. He is carrying too big a load with too small an acreage of land to carry it.

By Mr. MacNutt:

Q. Would they not require some experience of irrigated lands?—A. Certainly, they require it. The distribution of the water is a tremendously difficult thing. It is hard enough to get some of those men to farm properly without having these special difficulties to overcome.

By Mr. MacNeil:

Q. Is it not contended that a man can go on irrigated land without that experience and make a success of it?—A. I believe that men do go on, but I think the percentage of failure is quite large. One irrigation company sent the Board a list of opinions from various irrigation managers regarding 20 or 30 irrigation schemes in the United States, and in all these opinions the fact that the man had capital of his own was emphasized very largely. A man with capital and without irrigation experience could go on and make a success and these were the men who did make the success; but I cannot say that in any of the letters that were sent in it was argued that any large percentage of men without experience and without capital could hope to make a success of an irrigation venture, particularly in Southern Alberta where you cannot rely on the usual grain crops and where there are not the specially valuable crops that you get in other districts.

The CHAIRMAN: No. 9 reads:

“That in cases, where the veterans own land against which there are unjust judgments or executions which prevent them from securing a loan from the Soldier Settlement Board, they be given free counsel and defence by the Soldier Settlement lawyers to make it possible for them to secure a loan.”

Mr. NESBITT: What do you mean by that Mr. MacNeil?

Mr. MACNEIL: It was brought to our attention that in certain cases men had judgments against the loan which they could not get discharged.

Mr. NESBITT: You use the term “unjust judgments or executions.” What do you mean by that?

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Mr. MACNEIL: They regard them as unjust. The contention is that the Soldier Settlement Board should maintain a staff in many of the district offices so that the men could take advantage of legal advice from the Soldier Settlement Board.

By the Chairman:

Q. What have you to say to that Major?—A. This, of course, could only be done in Western Canada where we maintain legal departments. In four western departments we have our own legal staff, and all the work is done by means of our own solicitors. We do not pay these men on the basis of work done; we pay them a salary, and they devote their whole time to our work. In these western offices this service is being given as largely as it can be given. But I do not think we could undertake the obligation of going into court and fighting out problematical law-suits, or law-suits in which the result is problematical. So far as advice, opinion, and even correspondence and negotiation are concerned, that service is given now without any charge at all in those offices where we maintain our men on a salary basis.

By Mr. MacNutt:

Q. Might not the unjust judgment be that judgment is rendered often against someone of the same name?—A. We do that now. In the West, for instance, a judgment against John Brown is registered against every John Brown in the province of Alberta, and you have to find out who the particular John Brown is. It may not be John Brown the settler who is coming up for a loan. We straighten that out now as a matter of fact without charge to the settler at all.

The CHAIRMAN: No 10 reads:

“That the date of payment under the Soldier Settlement Act, be changed from October 1st to December 31st.”

I think you have already expressed an opinion upon that.

WITNESS: Yes, I expressed the opinion that this should not be changed, that we are able to meet the situation. There is possibly one point that is open to argument. As it is now, we have a 30 day grace period, and if a man pays his instalment within 30 days of the 1st October he is charged no interest on his payment. That is, it is taken as if he had paid it on the 1st October. It is just possible that that period of grace might be extended to 60 days, which would help some. That I think is something which might be worth considering, an extension of the period of grace to 60 days.

By Mr. MacNutt:

Q. You only charge 5 per cent on arrears?—A. That is all. But there is no interest charged at all on the payment if it comes in before the 30th October. It is just the same as if he had paid it on the 1st October.

By Mr. Nesbitt:

Q. There is no interest?—A. No interest.

Q. After that period, you charge 5 per cent?—A. 5 per cent. If he does not pay within the month's grace, the arrears of interest are charged for the whole time.

By Mr. MacNutt:

Q. You are supposed to charge 7 per cent, but you only charge 5 per cent?—A. Yes, the agreement calls for 7 per cent, and there may come a time when we will have to exact that. But at the present time, we are only charging 5 per cent, although in his agreement he undertakes, if he is in arrears, to pay 7 per cent.

Q. Would you recommend 60 days' grace instead of 30?—A. Yes, I would. I think that 60 days' grace period should be provided, for the West at any rate.

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By Mr. Redman:

Q. That is on account of the crop; very often they cannot get it threshed?—A. Yes, our settlers have more difficulty in getting their grain threshed than other people, because speaking generally they have small crops, and the man with the small crop has to go to the man with the big contract.

By Mr. Nesbitt:

Q. Would it not be better to leave it as it is and leave it at the Board's option to grant 60 days?—A. Yes.

Q. A good many people would, if they got 60 days' grace, or even three months' grace, take advantage of it.—A. Yes.

By the Chairman:

Q. Is that a matter of the Act or of regulation?—A. It is a matter of regulation. The CHAIRMAN: No. 11 reads:

"That free transportation be provided for the wives of soldier settlers to enable them to accept facilities for training provided by the Home Service Branch of the Soldiers Settlement Board."

By Mr. Edwards:

Q. The Home Service Branch—what is that?—A. The Home Service Branch is a branch that looks after the welfare and training of the wives and dependents of settlers who are married, or have dependents.

By Mr. Nesbitt:

Q. Do you have districts?—A. We are limiting the visitors pretty much. We have one director of the Home Branch at each district office and we have one or two home counsellors who make visits, but we do not attempt to cover all settlers;—we simply await for a difficulty to arise or where the wife does not understand anything about farming conditions or live in this country. These men employed in the Home Service Branch are ready to give them instruction and information that will help them, and during 1920 a short course was held in Saskatchewan at one or two points, providing for a week's instruction. In that case the Red Cross supplied the money for the transportation of the settlers' wives. This year we have held a number of short courses in all provinces lasting only a week, and either the Red Cross or some society paid the transportation or the settler paid the transportation, while we provided the maintenance for a week's time—It does not run into much money and it does a great deal of good, because we find a number of settlers are influenced and encouraged by home conditions. There are girls not used to the conditions here and if you can make the home conditions better you do a great deal towards making the settlement of the returned soldier permanent, and these courses involve very little money and are very useful. As far as the transportation is concerned they have only to travel short distances and by arrangement with the railways they get a rate of a cent a mile on all distances beyond fifty miles; within fifty miles they pay the ordinary rate, but beyond that they get a cent a mile, and I do not think there is any great demand for payment of transportation. If the settlers' wives are not interested enough to pay that little expense, I am afraid they will not get much advantage from the course.

By Hon. Mr. Spinney:

Q. Is not that privilege abused?—A. It might be. I do not think it would be abused very largely. You get people who really want to go and who think they would really get the benefit of it,—not those who would merely go for curiosity or entertainment.

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Q. It struck me if we adopt the course of paying their expense,—you say you pay their maintenance?—A. Yes, we pay their board.

Q. But you do not pay transportation,—rather than pay transportation would it not be better if you employed women who thoroughly understood house-keeping and living conditions in Canada, would it not be better to have them visit those homes and show them where their short-comings are in house-keeping?—A. It would cost too much money.

Q. It would not cost as much as paying transportation?—A. It would cost very much more. If you had to visit all these people, the travelling expenses and the salaries of the number required—you have practically to duplicate our full administration now and this costs about \$700,000 a year.

The CHAIRMAN: No. 12:

“That the settler upon the completion of his homestead duties be granted Letters Patent in the usual way, and that any money owing by him on the land to the Soldier Settlement Board be placed as a first mortgage against the title.”

WITNESS: In regard to that matter we are endeavouring to effect an arrangement with the Department of the Interior that where a man has completed his duties on his homestead that title will issue to the Board. The object is this—and it is very necessary—a man completes his duties on the homestead before he goes overseas, and he gets a loan from us—that patent cannot issue on that land until he has paid off his debt to us. He cannot make, under the regulations, any arrangement for a sale of that land until he gets his patent, and men who want, for perfectly legitimate reasons, to sell out are debarred from selling because they cannot negotiate a sale until we are paid off.

Q. And they cannot traffic in the homestead until they get the deed?—A. No, and they have to arrange a sale in order to pay us off, and what we are asking now is an Order in Council with the sanction of the Department of the Interior (they have to consent to this arrangement because it affects Dominion lands) to meet such cases. A man says: “I have a chance to sell to advantage—my house is broken down and my duties are all done and I would like to sell out.” Well, if we could apply to the Department of Interior for title to us, we could consent to a transfer of deed with a draft, or to have it turned over on payment of the money, which would enable the man to get his money out of it.

Q. Would the same thing apply to the soldier grant? He has to put in time to get the deed.—A. That has not risen yet, it can be handled. The homestead affects the Dominion lands, and that must be by consent or by arrangement before we can do anything.

The CHAIRMAN: No. 13:

“That the Soldier Settlement Board be given authority to extend financial aid, regardless of their present obligations, to settlers, who have suffered loss through no fault of their own until such time as their success is assured, with special regard to the needs for seed grain and food, following a season of drought.”

WITNESS: This is so general there would be absolutely no limit when we undertake to do the right thing. I think it is so extreme as to show the impossibility of carrying it out. The difficulty in the mind of the association in putting this forward is the case of a man with \$3,000 for stock and equipment and permanent improvements. He comes along in the spring, following a period of crop failure and has his land ready for crop and has not seed to put in. We have title to his land and he is unable to get grain advances from the municipality or the Provincial Government because his land is tied up to the Board, and he has no money of his own and no personal credit.

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Q. What would you do then?—A. We throw his loan into securities—we take the position that we have no right to pay out more than the limit of the Act—\$3,000; but we have the right to protect our own security—we advance it as an adjustment advance to maintain our own security, and then we leave him on the land and we let him put that on, and if he “cleans up” well his loan is re-instated and he is put in good standing.

Q. He pays first the particular loan?—A. Yes, and at no particular time is it due, it must be paid at once, and if there be another crop failure next year you cannot run on that way.—it is a case of making salary.

Q. Is it a mortgage on the crop?—A. Yes, in that way,—he is merely handling it as our agent until he gets enough money to take it up.

Q. I thought you said that in case he does not pay it would run on for another year?—A. I say it could not run on indefinitely. To a man in such a bad shape as that you would have to make a \$400 or \$500 seed advance; you could not afford to run it on indefinitely.

Q. It really boils down to giving the man another year's chance to make good?—A. That is it.

By Mr. MacNutt:

Q. Supposing out of a fair crop he still could not meet all liabilities would you require him to pay it all?—A. If he paid a substantial part it would be alright.

By Mr. Nesbitt:

Q. You are guided by circumstances in each case?—A. Yes, absolutely.

The CHAIRMAN: No. 14.

“That for purposes of homestead or pre-emption entry active service be counted as residence duties, whether the land was filed prior or subsequent to enlistment.”

WITNESS: That is a matter of Dominion Land regulations and has nothing to do with Soldier Settlement.

The CHAIRMAN: No. 15.

“That the payments during the period of war, on purchased homestead by soldiers be made exempt from interest charges.” Just what is that?

WITNESS: A purchased homestead is under the Dominion Land regulations providing for the buying of a homestead at a nominal figure, and it bears interest,—I do not know the rate.

By the Chairman:

Q. Six per cent I think.—A. The request is made here that those purchased homesteads would be exempt and the men not pay interest on them while overseas in service. That is a matter of general policy and particularly under the Department of Interior.

By Mr. Nesbitt:

Q. They ask that the interest be remitted during the time he is away?—A. Yes. The municipalities in some cases remitted the taxes while away, and I suppose, on the same ground, the Government should remit the interest on purchased homesteads.

The CHAIRMAN: Now, unless there is some question on these suggestions, we have some representatives of the Patriotic Fund here—

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By Mr. MacNutt:

Q. Would you allow me to ask two or three questions: the witness made some remarks with regard to the re-amortizing of new loans,—have you authority to re-amortize them over a two-payment period if you think it advisable?—A. No, I do not think we have, in this way: There is some doubt as to that too. If the man had not used up all his loan privileges we might grant him a loan,—we do that to meet his arrears.

Q. It is including those arrears?—A. Yes. I think the Board has power to make advances in that way, that is for the benefit of the arrears and re-amortizing it for that reason.

Q. Now there was a remark in your evidence where you spoke of 890 salvage cases for lack of sincerity,—

A MEMBER: Are not these questions that could be ascertained without detaining the whole Committee?

Mr. MACNUTT: It is just a matter of getting it cleared up.

By Mr. MacNutt:

Q. Have not the most of these men advanced the 10 per cent, amounting to \$500?—A. Yes, the bulk of them.

Q. Do you think through lack of sincerity that they would give up their own money and labour?—A. Of course, a large part of this 890 may be on free-lands—homesteads. There are a large number of those and a large number of homesteads, and sometimes when you go there you find the stock and equipment and man are gone, and you cannot hunt it up.

Q. Are Soldier Settlement Board grants refused in the case of men who sold their original homesteads before going overseas and applied for loans while still having payments coming from the sale of homesteads? Here is a case in point. An ex-soldier with his brother had sold a half section in Saskatchewan. The brother was killed overseas, and when this man came back in 1919 he still had an interest in the homestead, as the land had been sold on crop payments. He applied for the Soldier Settlement loan, and was refused.—A. He should not have been refused. He is not debarred. There were one or two cases in the Saskatchewan district where that occurred, and the superintendents were so instructed.

Q. May I get the particulars?—A. Yes. No man should be debarred who is owner of the land.

WITNESS retired.

The CHAIRMAN: We are now to hear from Mr. Morris of the Patriotic Fund.

Mr. PHILIP H. MORRIS, recalled.

By the Chairman:

Q. I think you have some statement to make Mr. Morris.—A. First of all, Mr. Nickle asked me to again express his regret that he could not attend personally. He has found it impossible to appear. We held a meeting of our Advisory Committee a few days ago for the purpose of drafting certain representations that we wished to make to this Committee and with your permission I will read the memorandum that we prepared. It is not very long and I shall boil it down as much as I can. (Reads)—

“It is found that the allowances which are now being paid by the Fund and which are at the same rates as the Federal Pensions are adequate in cases in which protracted illnesses or operations cause unusual expense. In some

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of such cases the Fund finds it necessary to give supplementary assistance. The Parliamentary Committee might be prepared to consider providing free medical attention to pensioners in cases of serious or extended illness."

I may add that we are spending \$700,000 a year in that way at present. I have included that statement in this memorandum on account of a question put to me by Mr. MacNeil in regard to the inadequacy of the present pension rates.

"It is found that the present rates for orphan children (both the Fund and the present rates are the same) are adequate when the children are living in the one home. When, however, it is necessary to place each child of a family of orphans in a separate home, the allowance for the third and subsequent children appears to be inadequate, because the maintenance expenses of the third and subsequent children are as great as the expenses of the first."

I went to the trouble of getting from our principal branches the average cost of maintaining orphan children and of placing them in institutions or providing homes, and it was found that it works out at \$25 or \$26 a month. The pension rate is of course \$30 for the first child, \$24 for the second, and \$20 for the third, so that there are conditions under which the pension allowed for the third child becomes inadequate.

By the Chairman:

Q. Is that irrespective of age?—A. It is just a point that we wish to bring to your attention. We have not made any specific recommendation.

"Local Committees of the Fund are still very concerned with the position in which many men in receipt of partial disability pensions find themselves. It is believed that many such men are not in receipt of a pension proportionate to their disability when compared with conditions in the industrial labour market. In other words, the condition of the labour market renders it exceedingly difficult for a man with a partial disability to secure employment in competition with able-bodied men, especially as there are so many of the former. This condition might be alleviated to some extent by a more liberal rating of disabilities. It is also suggested that it might be beneficial if a special Handicap Division of the Government Employment Service were created for the placement of such men, and developed during the coming summer. Representatives of the Fund in industrial cities are inclined to think that employment conditions next winter will be no better than they were during the winter just passed. Allied to the subject of the man with a partial disability pension is that of the man who since his discharge has developed a pronounced disability which the medical officers of the Board of Pension Commissioners decline to recognize as having its origin in military service. There are a number of cases in which men who before enlistment were thoroughly fit, who were accepted upon enlistment as fit, who were discharged as fit, but, who, within a comparatively short time have developed rheumatism, or some incapacitating disease. Most of these who have dependents are being maintained by the Patriotic Fund, but we firmly believe that the responsibility is more properly that of the Federal Government through its Board of Pension Commissioners."

I have three or four cases here, if I may cite them.

The first is that of Private John Buckley, 6th Field Ambulance, enlisted October, 1914. Discharged May, 1919. Had several attacks of pneumonia while overseas. On discharge was given a vocational training course in motor-mechanics, but was obliged to discontinue it on account of ill health. Disability diagnosed as chronic bronchitis, suspected T.B. X-ray examination shows an old lesion.

That case was turned down by the Board.

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11,320, Private C. D. Stodden, 4th Battalion. Enlisted September, 1914. Discharged April, 1917, as medically unfit, on pension of \$13 per month. The man is now in a sanatorium with tuberculosis. He is 43 years old. This is another case which has not been recognized by the Board.

By Mr. Nesbitt:

Q. If he is in the sanatorium, he will get the full allowance.—A. He is in the sanatorium, and we are maintaining his family; the Patriotic Fund is looking after his family, if not himself as well.

By the Chairman:

Q. He is not under the S.C.R.?—A. He is not under any Government body except that he gets this \$13 a month. He was discharged in April as medically unfit, and he has now developed tuberculosis and is in a sanatorium.

By Mr. Cooper:

Q. Has that case been submitted to the Department?—A. Yes.

Q. What has been their action?—A. It has been rejected.

Private G. R. Archer, 71st Battalion. Enlisted September, 1915. Discharged April, 1917, as medically unfit. Is now aged 49 years. Was treated at Bramshot for rheumatism. Has now lost the use of his right arm through paralysis. Tongue and brain are also affected. We are carrying that family.

By Mr. Brien:

Q. Did he refuse treatment under the S.C.R.?—A. To the best of my knowledge, he has had no treatment and no pension since he returned to Canada. The only treatment he got was in Bramshot camp, where he was treated for his arm. That arm is now paralyzed and the paralysis has extended to his tongue and brain.

Q. There is a possibility of functional trouble there which should be investigated.—A. I am just quoting that case and the others to support the general statements we are making here.

By Mr. MacNeil:

Q. Does not that recommendation apply with still greater force to the type of disability of a recurrent nature? A man may be able to work fairly well for two or three days of the week.—A. I should think so.

Q. Has it been your observation that there are many such cases?—A. There are a number of cases, quite a number.

“The Fund wishes to protest against the narrow interpretation given by the Board of Pension Commissioners to section 34 (3) of the Pension Act. Cases have been submitted to the Board by the Fund which have been rejected by the former on the ground that the son did not contribute to the support of his parents before enlistment, nor did he assign pay to them during his military service. There is nothing in the Act that requires either of these conditions to have existed.”

Section 34 (3) of the Pension Act deals with cases of prospective dependency, and the words are to this effect, to the best of my remembrance, that when a widowed mother or aged parents of a soldier who was killed in action subsequently fall into a dependent position, they shall be granted a pension. I have submitted cases and they have been turned down, because the son did not assign pay during his service, and had given no indication of his intention to support his parents. But the assignment of pay was not necessary, nor was it necessary that he should indicate his intention.

[Mr. P. H. Morris].

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By the Chairman:

Q. That is your reading of the Act?—A. That is Mr. Nickle's reading of it. I have here two cases. One is that of Felix Leblanc, who enlisted in June, 1915, and was reported killed in action in February, 1917. His widowed mother did not get his assigned pay during his military service. She was absolutely self-supporting, and there was no need for that boy to assign pay to her, nor was there any need for him to express his intention to support her at any future date. One would take that for granted, because he was the only child. She is now totally incapacitated with chronic nephritis. There are no other children. The Board of Pension Commissioners state that pension was refused on the ground that the deceased soldier did not contribute to his mother's support either previous to his enlistment or during his service, and that there is no evidence on file to indicate his intention to do so.

"The Board also reject such cases in which the disability of the prospective pensioner is temporary. Again the Act does not provide that the disability should be permanent. On the contrary the succeeding clause of the Act (34-4) seems to have contemplated temporary disability since it provided that pensions to parents shall be subject to review and may be increased, decreased or discontinued according to changing conditions. It is asked that this Committee put on record the correct interpretation of these two clauses of the Pension Act both for the guidance of the Patriotic Fund and the Board of Pension Commissioners."

I have the case of Private Falls, who was killed in action. He did not support his father during his military service because the old gentleman was capable of supporting himself. He is now temporarily incapacitated. Pension has been refused on the ground that his incapacity is only temporary. Again, I am informed by Mr. Nickle that the proper construction to be put on that clause is that the pension should be granted, that permanent incapacity has nothing to do with it.

"Every large branch of the Patriotic Fund complains of the delay in the settlement of pension claims especially in the case of men who are discharged to pension from the D.S.C.R. with a permanent and irreducible disability. The D.S.C.R. pay and allowances to such men cease upon their discharge from hospital. Sometimes it takes two or three months to adjust the pension claims. During the interval the family, if the man has a family, has to be supported by the Fund. Naturally we do not feel that this is a responsibility that should be foisted upon us. Here are several instances in which such delays have occurred. They are only a few of many."

Private P. W. Davis was discharged suffering from abdominal wounds, for which he received a pension of \$22.75. Complications later set in and he was put in hospital on pay and allowances. He was discharged from hospital in the middle of February 1921, as incurable and put back on a pension of \$22.75. The pension still remains unadjusted. Private Stanley Challoner was in Davisville Hospital on D.S.C.R. pay and allowances. He died there on December 12, and his widow is still awaiting the Board of Pension Commissioner's decision *re* pension. The excuse given for the delay is that they are awaiting the doctor's reports. As the man was under the care of the D.S.R.C. doctors this is difficult to understand. L. B. Thomas, R.C.N.V.R. was discharged from the sanatorium at St. Agathe on January 8, 1921. He did not receive pension until April, 1921. During the interim we advanced the sum of \$345 as the man was absolutely helpless. Can the Board of Pension Commissioners imagine what might have happened if the Fund had not existed?

By Mr. Redman:

Q. Did you get that money back?—A. Yes, I think we got most of it back, but there is a good deal that we do not recover.

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"In case any suggestions have been made to the Committee in regard to the commutation of small pensions, I have been requested to say that the observation of our local officials leads them to the opinion that such commutation is too often not in the best interests of the pensioner. Many instances have come to our notice when the money so obtained has been lost in some business enterprise, or squandered."

By Mr. Cooper:

Q. You used the words "local officials"—what is that?—A. We have some institutions in most quarters. It is our local officials generally.

"We wish to bring to the attention of the Parliamentary Committee the desirability for some organization which would perform for the un-married soldier who has fallen ill the same services that the Fund is performing for the married man. We receive many applications for help from such men but under our Act of Incorporation are unable to assist. This Committee might be prepared to recommend such a task to the Canadian Red Cross Society or some other organization known to have the necessary fund."

Those are the only representations we wish to make.

The CHAIRMAN: Thank you very much.

By Mr. Nesbitt:

Q. At the present time does not the D.S.C.R. carry the men until the Pension Board takes their place?—A. No, sir.

Mr. AHERN: I have reason to believe the new Act will come into force soon and the D.S.C.R. will carry the men on for another month on payment allowance.

The CHAIRMAN: I think we have hardly time for discussion. We have a gentleman here from Montreal to hear. It is not from lack of interest in your recommendation.

Dr. W. H. ATHERTON, called, sworn and examined.

WITNESS: Mr. Chairman, the notice we got was very brief and I did not quite know what the point was you wanted to take up, but we have sent recently a letter in which we stated that we thought the war interments were not being well conducted by the Government, and that we had evidence on that point. Secondly, we wish to put before you what we think would be a better way of carrying out the excellent and great forward movement which you inaugurated some time ago. We think you made it known that, to a pensioner who was unable to feel he could not get a decent interment at the end, you would grant \$100. Now, we have sounded public opinion many years on the principle of assisting in the burial of those who were not on active service, and we find at the present that everybody is of opinion that you have not gone far enough, and that you ought to bury all ex-service men whether in receipt of pension or not. For that purpose we have with us many sheets of resolutions from the biggest societies in the Dominion, and we have just two in this little folio which we will leave with you and which are up-to-date—one from the Eastern Townships Boards of Trade and another from the Canadian Municipalities. And, when I tell you those are only one or two of very many more that have been sent to the Premier and others, you will know what the feeling is. This one of the Eastern Townships Associated Boards of Trade, dated the 25th of April, 1921, is signed by the Hon. President, Senator Geo. G. Foster, and is as follows:—

'These Boards feel that the objects and aims of the Last Post Fund are among the most worthy that could be imagined. Nothing seems more basically
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sound than the proposition that poor soldiers should be decently interred. On several occasions we have put on record our hearty sympathy and warm appreciation of the spirit that prompts the promoters of this idea and it should certainly be placed in a way of being permanently maintained. The natural and proper manner of arriving at this desirable condition is for some Federal Department, probably the Militia Department, to take charge of the work outlined under this heading and appoint competent men to undertake the task of making known among our citizens the existence of a fund to fittingly inter indigent past defenders of our national honour, so that whenever, and wherever such indigent shall pass away, this department may be notified and proper arrangements made for him or them, to be decently laid at rest.

That is the least that we, as civilized Canadians, could be expected to do.'

And we have one of the Canadian Municipalities of recent date endorsing the one by the full Union of 1916 to the same effect, saying that our main contention of burying all that have served, pensioners and otherwise, is a movement that is only natural, and in support of that I wish to show that I am not advocating something that has not been done on this continent already. I would read from the United States National Cemetery report or rather their rules and regulations. This is their statement:—

'All officers, cadets and enlisted men of the Army, Marine Corps and Revenue Cutter service and Army and Navy Paymasters, clerks who died on the regular and volunteer service of the United States or who died after having been mustered out or honourably discharged are entitled to burial in any national cemetery free of cost. The same rights will be acceded to Army Nurses who are honourably discharged or pensioner, the presentation of the Commission warrant or honourable discharge of the deceased officer, enlisted man, or army nurse, or the letter of appointment of the deceased army and navy pay-master clerk, signed by the Secretary of War or Navy, as the case may be, is sufficient for interment.

We have a scheme which we would submit to you to carry that out. We say, either you take that principle as representing the opinion of the people and recommend to the Federal Government that it should carry it out straight under its own aegis, or we suggest a form by which you may have co-operation of civic organization working with you and working through the provinces and municipalities. We believe that in addition, perhaps, if you do not care to accept that, you might create a commission; but our principle is that a man who comes home to die here in this country after having been incapacitated at the front, and though may not come under the Pension List, but is proved to have done service, that man is as much a hero, although he did not die on the field of battle,—is just as much hero as if he had been on active service. The United States has recognized that principle and they bury them all free of cost. We believe that that \$100 that you are going to present is to a great extent thrown away, in a sense; not that it is not absolutely necessary, but you have no control of it once it is paid. You do not know how much the undertaker gets or how much the cemetery gets, but you do know that you do not know where to find the man afterwards—he is lost. We say that \$100 multiplied by 135,000, which we reckon will be the number of men that will come under the Great War Service, independent of others who will die during present engagement in the army during the next twenty years, comes to \$13,000,000 which you will have no control of. We think, acting as the United States, you can purchase land and make cemeteries either wholly military or semi-military, such as in the United States, and you can minimize those charges by using your military organization for registration, etc., and you can have wonderful results. And you can still further curtail the cost in this way. The Government in Montreal, for example, purchases graves at \$67,—there are about 21 square feet in a grave. In an acre there are 45,863, and dividing 21 into that makes 2,074 graves and at \$57 a grave you are paying for an acre \$118,218. That is because these graves

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will be placed anywhere and you are charged at the rate at which an ordinary person will buy a grave, whereas if you bought an acre straight for a thousand dollars and paid something for maintenance, you would see the difference in what you pay for an acre of ground. And besides you have something to show afterwards,—a field for patriotic display. We started in 1909 to teach that lesson,—we started without the idea of the great war,—and we now own ground on which are two cemeteries with certain interments in other cemeteries, and we trust that the Government will soon take them off our shoulders. Until then, as our resolutions say, we will carry them on. We have been doing this, and we have now 243 graves of soldiers killed in the present war and in past wars. These men who have been honourably buried. The people desire that they should be placed there rather than in private ground. The sentiment of the soldiers in favour of having the graves close to one another is very strong and very natural. We are asked to set them out, but we say we are too poor, we cannot do that. They cannot understand that we are not a Government body, and sometimes we are bullied because they think we should do more. We feel that we have done well at the rate of \$56 for every burial and grave and for the temporary up-keep, and for the head-stone. If we had funds and could purchase ground where we liked and when we liked we would not have had to pay so much for the ground that we have. In the future, we hope to diminish that amount. We feel that if this thing is taken up in a practical way by the Government there will be something to show. I may say that we have in our letter-book many complaints about the Government's action. A short time ago, in Ottawa, our secretary held an investigation and elicited the fact that the records of the department show no trace of many men who had died. It was found that although we had a record of our men, they had no trace of 27 on our list. Now, if they failed in that way in regard to our men, and could not trace them, how about thousands all over the place who have been lost through carelessness and that sort of thing. So I say, gentlemen, you are in danger of minimizing your great work by losing the patriotic value of the money you are giving. We feel that we are not exaggerating when we speak of this trouble about the men being uncared for. In Montreal, for example, all the men are buried in temporary graves. There are 51 in the Cote des Neiges Cemetery and they are gathered altogether as the result of this association's continuous representations since 1918, while approximately 185 are scattered through the temporary graves reservation. These were men buried between 1914 and 1918, and some have been lost track of. Others are lying in ground which does not now belong to the grave, if I may put it in that way. The five years' period allowed has passed and a corpse cannot be removed. We have a record in Montreal of the case of a widow who wanted her husband's body removed, but she could not get it removed on account of this difficulty. First of all, she did not know where the body was, and then she found that it was in a temporary grave, and she could not get it removed unless she paid a great deal of money. The Government has scarcely any control over that because the five years allowed have passed. Now, if you gentlemen would recommend, in the spirit of the advance movement which they have not got in England, if you would say, "Let us go further and put this on a business basis," the people would be grateful and the Government would save money. It would enable people to visit the graves on patriotic days. On the 24th May, we shall have in Montreal on Fletcher's Field a big demonstration when thousands of people will be gathered together and many of them will visit the cemeteries to hold a solemn celebration. As everybody knows, we have had wonderful success on these Decoration Days. I think I have shown the general need of attacking this question, and now perhaps I may put before you the scheme in a concrete form, after having shown the necessity for it, and cited the opinions of authorities who believe that you should act. I would like to quote one authority in England. This is a letter directed to us which will strengthen our case. It is from Sir Frederick Kenyon who was advisor to the Imperial Graves Registration Com-

[Dr. W. H. Atherton].

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mission. The Commission is absolutely with us in our main contention. Sir Frederick writing on February 13, 1919, said:—

“The original conception of the fund—to secure that no sailor or soldier of the Empire shall lie in a pauper’s grave—was a fine and noble one. The scale of the recent war makes it impossible to continue such a work on the basis of private contributions, and it seems to me eminently right that the State shall undertake the responsibility for its continuance by providing adequate funds.”

There you have the testimony of two countries, and I sincerely hope that you will see your way to make a strong recommendation. We do not believe that the carrying of it out would be so arduous as some of you may imagine, because we have been thinking over this for a long time, taking the advice of many of the administrators in the Government and of kind friends who think well of the scheme. We believe that by co-operating with the United Kingdom and with the other dominions when their men die here and our men die there, it will help to solve the whole difficulty. At Montreal, for instance, we feel that we could base our budget of \$8,000 for the next twenty-five years on the number of men who returned impaired. In addition to the experience gained from past wars, we know that the present war had 35 per cent of fatalities and casualties as compared with 10 per cent only in past wars. I will now leave this in your hands, and I would be glad to answer any questions that the members may desire to ask. The following resolution was passed overnight. We happened to have a meeting to discuss Decoration Day, and we thought of recommending to the Government the creation of a national Decoration Day to honour the brave, as they have it in the United States. The resolution relating to honourably discharged sailors and soldiers is as follows:—

“That the Last Post Fund of Canada be appointed a Commission, or part of a Commission to deal with all obituaries of presently serving or honourably discharged sailors or soldiers of the British Empire’s forces in Canada, with Federal subsidization and endorsement, empowering them to petition provincial, civic, and inter-Imperial co-operation, in order to equalize the financial responsibility, and that the Federal Government of the Dominion of Canada be recommended to make to the aforementioned Association, or Commission, an initial grant of \$100,000 with the present per capita obituary allowance of \$100 in all cases undertaken by the said Association or Commission.

“Furthermore, that three months’ grace from date of said grant be made, for purposes of Dominion-wide organization, and that permission be given to utilize the clerical machinery of the respective Military District Headquarters, for the purposes of executive work and obituary records.

“In the event of such recommendation going forward from the Special Parliamentary Committee and being favourably considered by the Federal Government, the said Last Post Fund or Commission would then undertake the responsibility for all such obituaries, and with a view to the increasing numbers ultimately to be dealt with, would petition—

“(a) The Provincial Governments for land grants or the equivalent in money to establish military cemeteries or plots and a grant for initial outlay.”

I might interject one remark. Sir Lomer Gouin has said: “I will give you assistance as soon as the Federal Government says it is a National Government undertaking and then the province of Quebec will do its duty honourably,” but he says you cannot do it without Federal endorsement, and he says we can get assistance from the municipalities also.

“(b) The Civic Governments for a pro rata grant towards a perpetual endowment Fund for the upkeep of the Provincial Military Cemeteries.”

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- (c) The Home, and Overseas Governments of the Empire, to enter into the scheme on a reciprocal basis of responsibility for those who die outside of their respective areas. As an alternative to the foregoing, this Deputation petitions the Special Parliamentary Committee to recommend that the Government at least extend the present obituary per capita allowance to cover cases of destitution and friendlessness at death of any ex-sailor or soldier for whom it may be found necessary to ask it, consistently with the dignity of the Dominion of Canada, when asking its defenders to submit their lives in defence of its honour."

I would like to explain about the \$100,000,—it is not much,—it would only build a small charitable home these days, and we do not even pretend that we would use it, but we want capital to set up offices and act with the Government,—we hope to return a certain amount of that. The reason why we ask an initial grant also is that during the war we had *pourparlers* with the Government and we had a telegram from some one asking, would the Last Post Fund undertake to see to the burial of these men; and we were getting into so much trouble without being offered any capital that we decided we could not go into the undertaking business without capital, so we had to reject that proposition. But for the moment they realized that some form of association or commission should take this matter up and do the decent thing. So everything considered, we say they are conservative estimates of an initial fund. I can assure you, you would be surprised at the amount of feeling on this subject among the soldier associations. I have read to you the alternative, and I beg to submit that and to say that we have other material. If you wish to ask any questions on the subject, we will be in Ottawa the rest of the day and will be pleased to give further information if required.

Witness retired.

The Committee adjourned until Thursday, April 28, at 11 a.m.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

THURSDAY, April 28, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and Re-establishment of Returned Soldiers, met at 11 a.m., Mr. Hume Cronyn, Chairman presiding.

Other Members Present: Messrs. Arthurs Béland, Brien Cooper, Copp, Edwards, Green, MacNutt, Morphy, Nesbitt, Redman, Savard, Spinney, Turgeon, White (Victoria, Alta.), and Wilson (Saskatoon).—17.

The CHAIRMAN: We have received the following communication:—

THE CANADIAN PATRIOTIC FUND

OTTAWA, April 28, 1921.

V. CLOUTIER, Esq.,

Clerk of Committee on Pensions,

House of Commons,

Ottawa.

DEAR SIR,—

I enclose herewith the list of cases that I quoted before the Parliamentary Committee yesterday.

[Dr. W. H. Atherton.]

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I am not enclosing the list of cases of prospective dependency, as I am satisfied that in each of the two cases it contained, the Board of Pension Commissioners were justified in refusing pension for reasons which were explained to me yesterday afternoon by Colonel Margeson. From his statement of the policy of the Board in regard to section 34-3 of the Pension Act, I should now judge that that particular section is being administered in accordance with the intentions of Parliament.

Yours truly

(Signed) PHILIP H. MORRIS,
Executive Secretary.

THE GREAT WAR VETERANS ASSOCIATION
DOMINION COMMAND

OTTAWA, April 28, 1921.

HUME CRONYN, Esq.,
Chairman,
Committee on Pensions and Re-establishment,
House of Commons,
Ottawa, Ont.

DEAR SIR,—

I desire to supplement my evidence, on cost of living conditions affecting returned soldiers, with a further analysis of the Department of Labour statistics for the period ending March, 1921.

The inference made, at the time of my examination, was that, although living cost had shown an increase in December, 1920, a substantial decline had occurred in subsequent months.

It is, therefore, submitted that the cost of the absolutely essential items, which must be provided for day by day in every household in order to exist—food, fuel, lighting and rent—does not, on the aggregate, show any indication of a permanent decrease. On the contrary, a careful analysis of the information provided on the cost of living by the Department of Labour, and by other reliable sources, shows an actual increase in March of this year over the corresponding month of 1920 of approximately 10 per cent.

While it is readily admitted that certain articles of food have declined in price considerably, any gain in this direction has been offset by increases in rentals, and higher prices for fuel and lighting. Independent reports on the matter of rentals in some of the larger cities of the Dominion indicate that increases will become effective on May 1st of from 15 to 25 per cent.

Of the four items covering absolutely essential articles, the latter three—rent, fuel and lighting—absorb 9/20th of the total expenditure. Increased expenditure on these items in March, 1921, over March 1920, according to the Department of Labour figures, amounted to 16½ per cent. With the rent increases on May 1st, this will exceed 20 per cent.

The remaining 11/20th of the absolutely essential household expenditure is taken up in some 30 articles of food, which form the basic food purchases in the average family. These items show an aggregate decline of about 12 per cent in March 1921, over the same month of 1920. However, owing to the fact that food prices in recent years have been in a constant state of fluctuation, this figure cannot be accepted as a true indication of how the purchaser's purse has been affected over the entire period of the year. During the late summer and early fall certain necessities of life increase abnormally, according to the season. As winter approaches, the prices of these articles find a normal level with other commodities. During the period of abnormal prices the consumer must pay the

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higher price or go without. When the estimate of the fluctuation in the cost of living is made at the end of December, the percentage above or below the figure for the previous December is indicated as the variation. For instance, the Labour Department statistics this year show the family budget for one week in December, 1920, was \$3.21 more than in December, 1919, but the fact that the weekly budget in July rose to \$40.76 (or \$5.21 more than in December, 1919) is not considered in the final analysis.

In a nutshell, items involving 9/20th of the essential household expenditure show increases in cost averaging 12 per cent. Placing the two divisions on an equal basis, the difference between items calling for increased expenditure and those the reverse, shows a total increase of approximately 10 per cent.

Compared with March, 1919, the prices of these essential articles are now 19 per cent higher.

May I ask that you take this phase of the question under consideration in fixing the pension rates.

I am, Sir,

Yours faithfully,

(Signed) C. G. MacNEILL,
*Dominion Secretary-Treasurer,
G.W.V.A. of Canada.*

THE GREAT WAR VETERANS' ASSOCIATION—DOMINION COMMAND

OTTAWA, April 27, 1921

HUME CRONYN, Esq., M.P.,

Chairman,

Committee on Pensions and Re-establishment,

House of Commons, Ottawa, Ont.

SIR,—While under examination before the Special Committee of the House on Pensions and Re-establishment, I was requested to furnish statistics with regard to unemployment conditions in Canada, with particular reference to returned soldiers. At that time, I referred to the statistics furnished through this Association of those registered with the branches as unemployed. I also referred to the statistics of the Department of Labour, in which it was shown that at the middle of March, 1921, the number employed in Canadian industry was over 50,000 less than in March of the previous year. It was further pointed out that instead of the usual spring recovery, reduction of the number employed was proceeding with alarming rapidity.

Since the date of my appearance before the Committee further statistics have come to hand, which reveal the situation in more serious aspects. The last bulletin of Dominion Headquarters of the Employment Service of Canada reports that, during the week ending April 2, employment returns made by 5,199 firms, with a total of 590,808 employees, show that compared with the previous week there had been dropped from the pay rolls, 13,396 workers, equivalent to 2.2 per cent. Further returns secured from the various labour unions reports a percentage of about 15 or 6 per cent of skilled workers as unemployed. This return is always indicative of a much higher percentage among the casual or unskilled workers.

The Department of Labour statistics accept the week of January 17, 1920, as a basis for the statistics referred to. At this time, it is computed that between 9 and 10 per cent of the workers were unemployed. Adding to this,

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the further percentage of unemployment, as relatively indicated, it will be seen that at the present time about 25 per cent of the workers in our industries have been released from employment.

It has been the observation of our branches that as unemployment increases, the percentage of returned soldiers of the unemployed rises in increasing ratio. This, of course, is expected as the employees most recently employed are almost invariably the first to be released. The situation depicted by Mr. Cochrane, before your Committee a few days ago, in which it was shown that over 300 returned soldiers were affected by the reduction of staffs in Moncton, N.B., is being duplicated at a large number of points elsewhere in Canada. As returned soldiers have had no opportunity to prepare for any period of unemployment, the attending distress among their families is pitiful in the extreme.

I again take the liberty of approaching the Committee in this matter, not only to point out the seriousness of the present situation and the necessity for the continuation of certain relief measures, but also to emphasize the still greater necessity of preparation at this time for unemployment of staggering proportions, which will inevitably occur next autumn. Returned soldiers are not petitioning for unemployment doles, except as a last resort to prevent starvation. Returned soldiers believe that the responsibility rests with your Committee to recommend the commencement of enterprises which, in promoting a general revival of industrial conditions, will provide all with useful employment. It is still further believed that such enterprises may be conducted in a manner that will provide those not yet re-established with suitable opportunities.

I am, sir,

Yours faithfully,

(Sgd) C. G. MacNEIL,

Dominion Secretary-Treasurer, G.W.V.A. of Canada.

The CHAIRMAN: Dr. Blake wishes to make a statement to the Committee this morning.

Mr. BLAKE: I want to speak regarding the re-establishment of permanent hospitals. We have one in Toronto which takes care of most of the Ontario cases, and we have one at Shaughnessy Heights to take care of the British Columbia cases, and it is very necessary that some permanent hospital should be established in Winnipeg, and probably one in the Maritime Provinces. We cannot get away from the necessity of having permanent hospitals and old soldier's homes, and I think this Committee should take under consideration the matter of some permanent establishment for taking care of the soldiers. In Winnipeg, before I left there, we had something like 400 men in hospital, and they were in six hospitals, scattered round. The Military Hospital in Tuxedo, which has served the troops since the Military Hospitals Commission was established, is needed by the Militia there. Tuxedo has been made our military centre and our barracks for the permanent force in Winnipeg. They need the space there, and that will have to be taken over. Then men have been distributed around among the rest of the hospitals; we have Deer Lodge which has 65 beds, if I remember rightly, which was rather an elaborate hotel, a good hotel, three miles and a half out of Winnipeg. It is the best location that is obtainable around the city, easiest of access. When the troops used to come in, when there was a big storm, we had great difficulty in getting ambulances out through the snow to Tuxedo. It was a graded road. There are five acres of land surrounding Deer Lodge Hospital, and adjoining this place is a large estate held by a syndicate company at one dollar an acre. That is an estate of three or four hundred acres which could be obtained for the hospital. I feel that with part of that area, sufficient to give the men something

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to do, this can be made a real old soldiers' home, looking for the days to come. In the meantime, with the extension thereto there would be provided, probably 200 beds, and we would have nearly enough accommodation for the next 15 years. We would have these people on our hands to the extent of at least the greater part of 200. The ladies presented their case last week. They purpose taking this over under the I.O.D.E., as far as the culinary part is concerned, at a rate per day. Their arrangement to-day is slightly more economical I believe than the D.S.C.R. have been able to do.

Mr. NESBITT: They paid the same.

Mr. BLAKE: They gave me to understand it was slightly lower. However, that is not a matter of vital consideration, but the matter which is of vital consideration is to provide something approaching permanency, as we have to look after these men for years to come. All the neurological cases from the Western Provinces are brought down to Winnipeg, and it is the logical centre, I think, for the time being, for the greater part of the S.C.R. to work, and I think this Committee would do well to bring in some report regarding permanent establishment. It need not be elaborate. There is a building on these five acres of land which would hold 65 patients, and with a new stucco building to provide 150 beds extra they could provide for the cooking and so on; and it would fill the bill for probably fifteen years or so, when the matter will have boiled down a great deal and we will still have to have an old soldiers' home. It may be that, with the Government treatment, when these various operative cases are dealt with, and healed, and off our hands, that a soldiers' home may be established in each province. I think that will be the logical outcome in a few years. For the time being, I think we should have at least four permanent hospitals to take care of these men. The establishment of this hospital in Winnipeg would cost nothing more than the clearing of the land and the construction of the building. The equipment we have on hand would be quite sufficient to equip the hospital in every way. I hope the Committee will bring in some report dealing with the matter and taking charge of these cases, and putting the S.C.R. on a permanent basis. It makes a great deal more work administering the hospitals when they are scattered round in this way.

I wrote your Committee about a case of syphilitic aortitis, which was supposed to be discovered on post mortem. The post mortem was had with the consent of the wife, and the one test that we recognize in syphilitic aortitis is the Wasserman blood test. I admit that possibly a very highly trained pathologist may determine on a post mortem syphilitic aortitis, but the average doctor on the S.C.R. who may perform a post mortem would not have a chance in a hundred of saying definitely or accurately that the case was syphilitic aortitis. This woman permitted a post mortem and they found some ulceration in the aorta. It was put down as syphilitic aortitis. I felt that this was wrong, but it has been done. I do not know whether you could rectify that or not. I have another man who had V.D.—and died of it since coming home. This man was allowed to get married, although not physically fit, by his O.C. He married an English woman, brought her out, and the man died. They had one child, and the child is not even given an orphan's pension. I think that that child should be given a full orphan's pension, and similar cases dealt with along the same lines. Your attention has been called by a witness to the cases of fifteen hundred deserters.

The CHAIRMAN: Have you given us the name?

Mr. BLAKE: Mrs. Lester. I have written the Committee about one case, and I have given it a lot of thought, and I think, while there may be a few of these men who may be deserters, and we will be unduly depleting the treasury in some cases, yet the great majority are to my mind not deserters. There is the case of the man Perdue, who was a South African veteran, who had served with distinction, and who had been wounded, and was waiting in London to come home. Shortly after that there was an air raid, and the man has not been heard from since. The man wrote a letter before

[Mr. Blake].

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the air raid, and I sent a copy of the letter to his wife to your Committee. The poor woman is now blind and depending absolutely on charity—no way of helping herself. I have just forgotten the number of children. That is one very pathetic case.

I feel that this woman could be safely given her pension. A very small percentage of these men who are listed as deserters are real deserters.

The CHAIRMAN: Have you any figures at all to show how many neurological cases you have?

Mr. BLAKE: No, I have not. This place at Winnipeg is the centre for handling all the neurological cases we have all over the West.

The CHAIRMAN: Colonel Peck and Mr. McQuarrie are here to address the Committee on matters in which they are interested.

Mr. PECK: Last year the question of re-establishing the returned men in the fishing industry was discussed before the Committee. I pointed out at that time the advisability of it and the great advantage it would be, and I am still more convinced of the benefit that would be derived from it. We had two concerns started in our city. They secured money from the Provincial Government on a loan. There were four returned soldiers in one company, and another man. In another company there were two returned soldiers, and they borrowed money from the Provincial Government to start in the fishing business, and it is not too much to say that they have made a great success of it, and I am absolutely convinced, as far as our part of the country is concerned, that a properly organized scheme would help the returned men and would be a great success, and would provide employment for a great many returned men. Looking over my evidence, I want to point to one or two things I said. What we are anxious to do is to establish, quite outside of the question of re-establishment of the returned men, a white fishery in British Columbia. The Department of Fisheries last year entered upon a policy of reducing gradually the number of licenses issued to Oriental fishermen. They made a reduction in absolutely good faith. It was not a large one, and they did not intend it to be such, and we did not expect it, but they did make a reduction, and have had no credit for it yet, and I do not suppose they will get it, but it is the right policy, and if they will only keep on reducing the licenses to Orientals they will be able to get the proper class of men to take up the fisheries, and there is no more favourable field for the returned men. I see that a question was put to me by Mr. Morphy last year:—

“Taking all your fishing areas into consideration, can you give us any idea of the possible number of returned soldiers who would seek this kind of re-establishment, who have been brought up in the fishing business?”

And I answered:—

“I cannot give the exact numbers. I should say there would be 200 or 300.”

Of course that was a very conservative reply, because I think if this plan of aiding returned soldiers were entered upon, it would gradually grow, till the number of returned soldier fishermen on the Pacific coast would be a very considerable number, and certainly a great acquisition to the commerce of our country. I have just one other matter to refer to. We want to establish out there a permanent class of men who will fish halibut, and who will fish with a troll for spring salmon, and will fish for sock-eye in the season, and fish cod or anything that comes along, so that they will be permanently employed in a permanent business. That is the business we want to establish on the coast. I think that probably the best way, if such a plan were adopted, would be to go ahead on the individual plan; that is to say, loan a returned man up to, say, 80 per cent or 85 per cent of the value of the boats and nets, whatever he had, and with a limit of, say, \$1,500 or \$2,000. If the men wanted to go into bigger

[Col. Peck].

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enterprises, such as seining business or fish tug, it would simply mean they would have to club together. I think that the individual system is probably the most reasonable system for our part of the country. Last year the Department of Fisheries was very favourable. I think the Minister was favourable, and Mr. Found was very favourable to the proposition to engage in this, if Parliament saw fit to pass a measure of this kind.

All I can say in closing is that I am more than ever convinced that this is a great field, and a perfectly feasible field for re-establishment of the men.

The CHAIRMAN: Of course, you will remember the difficulty that faced the Committee last year on this question, that, if we recommended assistance of this sort to returned fishermen, how could we refuse it to returned lumbermen, or to returned business men or to any others of the many returned men who have applied for assistance or loans? Can you differentiate it?

Mr. PECK: I would differentiate in this way, that though you cannot do everything in the world that is no reason why you should not do a little. You have started this in agriculture, and it has been, I think, a great success. You have started those people because you say that they are producing food. Then why not go into the next greatest industry of food production and take that up, that is fishing. It is feasible; it is something we can do, and to which I think there would be no objection. I think the Government would gladly enter into it. It is something that can be done. Why not do something because there are a thousand other things that we cannot do? On these two grounds, that fishing is the next greatest food producing industry after agriculture, and that it is feasible, I ask this.

Hon. Mr. BÉLAND: Besides, the fisheries are one of the natural resources that can be exploited individually like the land.

Mr. PECK: Exactly.

Hon. Mr. BÉLAND: Whilst in the case of lumber, the operations are generally carried on by companies.

Mr. PECK: Exactly.

Hon. Mr. BÉLAND: So that it is quite different in the case of a fisherman.

Mr. PECK: Quite.

Mr. MACNUTT: Is there over-production in the fisheries?

Mr. PECK: No.

Mr. MACNUTT: They claim that there is on the East Coast.

Mr. PECK: Not on the West Coast.

Mr. McQUARRIE: Mr. Chairman, I simply wish to support what Colonel Peck has said. I know that you have a lot of other business still before you, and I do not wish to take up much of your time. But it seems to me that the Committee might very well consider the suggestions which have been made by Colonel Peck. We have a situation in British Columbia now where the great majority of fishing licenses are issued to Japanese. As Colonel Peck has said, the Minister last year intimated that he would limit the number of licenses to Japanese, and he did so. He also announced a policy of gradually reducing the number of licenses to Japanese. This year, I took upon myself to ask him how he was going to work out that policy, and he told me that the department intended to reduce the number of Japanese licenses as soon as white fishermen were available to take these licenses. Now, it seems to me, that we should encourage white fishermen to go in more for fishing. I know that we need that in British Columbia perhaps more than they do on the Atlantic. The Japanese, so far as I can see, do not assist the country at all. They simply take advantage of our natural resources and do not build up the country. If, on the other hand, we could encourage soldiers to go in more for fishing, we would build up a white fishing popu-

[Col. Peck].

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lation which, it seems to me, is very necessary for the welfare of Canada. I am not going to take up much more of your time, but I have a concrete proposition which came to me from the Secretary of the British Columbia Protective Association, and, if you will permit me, I will take occasion to send you a copy of that letter.

There is just one other matter that I would like to mention. It is in connection with another subject, soldier settlement. We have found some difficulty there in connection with cases where loans are paid up, and I propose to refer to a particular case which I have had up with the department. This is the case of Coloney Kegan, who was O.C. in the 47th Battalion when the Armistice was signed. Colonel Kegan came into my constituency and purchased a farm on agreement for sale for \$20,000. He put up \$15,000 of his own money, and borrowed \$5,000 from the Board. He has now paid off the Board in full, but finds that his oil rights and mineral rights have been taken away from him by virtue of the provision in Section 57, I think, of the Act.

Mr. NESBITT: Does that not come under the Interior Department?

Mr. McQUARRIE: That is where land is sold by the Crown to a man, the rights are reserved. But this is not a case of sale in any sense of the word, or a grant by the Crown. It is nothing more than a mortgage transaction, and the mortgage having been paid off, the man is simply placed in the same position as he was before he got the money.

Mr. NESBITT: He did not buy the land?

Mr. McQUARRIE: No, he bought the land on agreement of sale for \$20,000, and he paid \$15,000 of his own money.

The CHAIRMAN: From whom did he buy? From the Government?

Mr. McQUARRIE: No, from a private individual. Then he got a loan from the Board, and following the ordinary procedure the conveyance was taken in the name of the Crown and the agreement came back to him for \$5,000, although the property was really worth \$20,000.

Mr. NESBITT: That is what I understood, but if it was bought by the Department—

Mr. McQUARRIE: The Crown took the conveyance after he had paid the \$15,000. —the Crown took the conveyance for the \$5,000.

Mr. NESBITT: And sold to him under an agreement?

Mr. McQUARRIE: And sold to him under agreement. But the transaction was nothing more than a mortgage loan. Now, the Department agrees with the principle that this man should have his oil rights. Unfortunately, in this particular district there is an idea that there is some oil there, and the purchaser from Colonel Kegan wanted to get the oil rights, and it looks as if the sale will be held up.

Mr. NESBITT: Colonel Kegan, or the Department, purchased from some individual?

Mr. McQUARRIE: Colonel Kegan purchased from an individual.

Mr. NESBITT: Did that individual have the oil rights?

Mr. McQUARRIE: Oh, yes.

The CHAIRMAN: Is there no reservation in force in British Columbia as to those rights?

Mr. McQUARRIE: There is, but this is a Dominion patent, and there was no reservation in the original patent from the Crown.

The CHAIRMAN: There is in our province in almost every case, so far as I know.

Mr. MacNUTT: In Dominion lands there is a reservation.

[Mr. McQuarrie].

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Mr. NESBITT: Did not the right of the man who purchased from the Crown originally fall to the next man who purchased?

Mr. McQUARRIE: Yes, the man had these oil rights under his agreement.

Mr. NESBITT: You cannot have them if they were reserved from the Crown.

Mr. McQUARRIE: They were not reserved from the Crown in the first place.

Mr. COPP: If he had paid the whole \$20,000 instead of getting a loan of \$5,000 from the Board he would have the mineral rights.

Mr. McQUARRIE: Yes, he would have had the mineral and oil rights. The Department appreciates the situation and the fact that this man is entitled to the oil rights now that he has paid the loan, but the Act does not give them any right to waive this reservation at all. I have suggested that an amendment be made to the Act so as to give the Board discretionary powers in proper cases to waive this reservation.

Mr. NESBITT: I do not think they can.

The CHAIRMAN: Major Barnett, can you give us any information on this point?

Major BARNETT: In this case the trouble occurred because the man should really not have had a loan at all. By putting up that amount of money himself, the transaction really became of the nature of a mortgage. The only way in which we could give him assistance was by treating it as an original purchase and sale. That is, what he paid over and above, we took no recognition of at all. We paid out the other \$5,000, and we have sold it, and in virtue of that fact that we made the sale, he immediately came under the sections of the Act which prevent us from giving him the mineral right. When we issue a conveyance, the Act requires that we reserve all minerals. Under section 37 we have no discretion in the matter at all.

The CHAIRMAN: Then you support the statement that if he had paid the money directly, if there had been no transaction with the Soldier Settlement Board, he would have got the mineral rights.

Major BARNETT: Unquestionably.

The CHAIRMAN: There is no general reservation in British Columbia of these rights?

Major BARNETT: I would not say generally that that was so, but in this particular case, there was no reservation, and the minerals passed to us when we got the deed from the vendor of the land,—the original holder. When we issue the deed, we acquire by section 37 the reservation of oils and minerals. It comes to us by force of law. The moment we buy the land, it becomes Crown land, and the usual Crown reservation is made under section 37.

Mr. NESBITT: Where did this land come from originally, from the Dominion Government?

Mr. McQUARRIE: I think from the Dominion Government; it was in the railway belt.

Mr. NESBITT: Why were the minerals not reserved originally?

Mr. McQUARRIE: Even in the old Northwest Territories the minerals were not reserved.

Mr. WHITE: I think it was in 1887 that reservation was first made. Before that, if you bought land from the Hudson Bay Company you got the mineral and oil rights. Up to 1887 all patents issued on land alienated from the Crown gave these rights to whoever received the land. After that, about 1887, the Department passed an Act reserving all rights. After that the patents were issued with the Government reservation of mineral rights. Some of our titles carry the rights with them, that is Hudson Bay Company land titles, but that was amended in 1887 and the rights were reserved.

[Mr. McQuarrie]

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Mr. NESBITT: I think that Mr. McQuarrie's contention is good, but it does not belong to us to do what he asks. The Governor in Council could pass an order.

Mr. REDMAN: I think it is for us to deal with.

Mr. NESBITT: Personally, I think it is absolutely wrong, but I do not think that we have the power or authority. It is a special case.

The CHAIRMAN: We can make a recommendation on it.

Mr. COPP: With regard to assistance given to soldiers, do I understand that if a returned soldier went out and bought a farm, and you advanced him all the money, if he did all the business, selected his ground, and made the purchase, he loses his rights in the coal and oil on his land simply because the Government steps in and gives him a loan.

MAJOR BARNETT: Under this section of the Act.

Mr. COPP: Then you are not giving much assistance to the soldier.

The CHAIRMAN: Mr. Mowat is here and has asked permission to ask some questions of Mr. Adams who is to be heard to-day on the housing question. Mr. Mowat is very much interested in this question.

Mr. MOWAT: This is my plea on behalf of the town men who would not be fitted to take farms, but who are interested in the question of having model industrial villages such as they have in England and the United States. I learned only this morning that Mr. Adams was to be here. I would like to ask Mr. Adams a few questions as I think it would save the time of the Committee.

THOMAS ADAMS, called, sworn and examined.

By Mr. Mowat:

Q. Are you the town planning advisor in connection with the Commission on Conservation?—A. Yes.

Q. And in December you were asked to give a report upon this question of model townsites, garden cities, and land settlement to the sub-Committee of the Special Committee on Pensions and Re-establishment?—A. Yes.

Q. I will read a paragraph from your report, which is as follows:

Brief Review of Proposals Made to Parliament

In the resolution submitted to the House on March 24, 1919, Mr. Mowat advocated the erection of villages in the neighbourhood of cities. In this he recognized the need for providing some of the returned men with opportunities to engage in some form of manufacturing, production and intensive culture of small farms or market gardens under satisfactory living conditions, as distinct from the Government schemes for settling men in purely agricultural colonies.

My experience in England, confirmed by recent inquiries, shows that the only really successful community developments that have taken place have been those which have been largely industrial in character and comparatively near to large centres of population. As carried out in such places as Letchworth, Port Sunlight, and Bournville, the matter has not yet been approached in Canada except by such private enterprises as Kipawa on Lake Temiskaming and the Brantford Housing Development. At the same time the G.W.V.A. and other organizations have pressed for action by the Government in giving support to community settlements and industrial housing for returned soldiers. At the same time it has to be recognized that Letchworth, Bournville, Port Sunlight and such schemes are private enterprises.

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Mr. MOWAT: And I would suggest that the Committee make part of the record this report of December 2, dealing with this question.

Mr. NESBITT: I would suggest that Mr. Adams give a short statement of what he wants to present this morning, because we want to get through.

Mr. MOWAT: I thought this was the quickest way.

Mr. NESBITT: We can read the report for ourselves. ..

The CHAIRMAN: That is what he suggests—to put the report on file.

Mr. MOWAT: May I ask him whether he knows that such organizations as the “Veteran” and the G.W.V.A. have been pressing for this?

WITNESS: Yes. I would have preferred to have preceded this with some statement. These are extracts taken from the report, and of course they are my opinion, but they are part of a lengthy report, and I would ask to be premitted to deal more fully with the desirability of having these community settlements, and give the facts as far as my experience enables me to do so. The only point that I would like to mention now in regard to that is that any scheme must be based on the premise that the Government approves of the policy of spending further Government money on industrial housing. Assuming that this was the Government’s decision, then the report shows one way in which the money might be used to advantage. I am not expressing an opinion as to this more than to say that it is desirable that there should be further money expended on housing, and that this form is a practicable and desirable way.

Q. Take two instances; one at Kamloops, in British Columbia, where there is a possibility of an Indian reservation being made available for this. Do you know that place?—A. I know it only to this extent: that Mr. Dennison and Mayor Fraser of Kamloops are interested in securing the settlement of a part of the land for purposes of housing men who are cured of tuberculosis, not permanently cured necessarily, but who are sufficiently cured to go and perform labour, and I inspected the place, and merely expressed a personal opinion of its desirability. I also reported that it was not my duty to submit a scheme or even to consider it in any form until the Department of the Interior or the Soldier Settlement Board had decided to take action, and invited me to express an opinion. The mayor understood that they had no status to ask a Federal official to prepare a scheme. I simply said in the event of it being decided to go on with a scheme at Kamloops, I should be very glad to submit a scheme, and all I can say is, with the information I have, the site seems to be one that ought to be developed for such a purpose, given the necessary financial support. As to whether that support should be given by the Federal Government or the Provincial Government is an important matter of policy.

Q. In Toronto, where I am familiar with the locality, I have got an option on 300 acres of land within eight or ten miles from Toronto, on a river, which is a picturesque place, and with good soil. I can get another 200 acres, making 500 acres. Would you give us your opinion as to whether it would be advisable to have such land as that, with a model village constructed according to one of your plans, pictures of which I have seen; and is it advisable, with the industrial elements of this model city, to have farm allotments where a man can go a short distance from the house that might be erected for him and cultivate his land and come back? Have you considered that?—A. That is a very important part of a general scheme, but of course that is only a small part. The question of the desirability of linking up agricultural industry and manufacturing industry is being appreciated more in other countries than I think it is in Canada, and until we begin with the idea of developing a sort of interchange of industry between manufacture and agriculture, then I think these details of the extent to which it is practicable for a man to work on an allotment and in a factory is one that would come under that idea of combining it. I have here a plan of an area which I will perhaps use to illustrate the different points which Mr. Mowat has raised. This is an area of about a few hundred acres of land which

[Mr. Thos. Adams].

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is owned by a Government Commission,—The Queen Victoria, Niagara Falls Park Commission. It was obtained from the Hydro Electric Commission. That is fruit bearing land. It is not desirable to promote small holdings on any land that is not of the richest quality, and the question whether the land referred to by Mr. Mowat would be suitable or not would depend on its quality, and a large number of factors which would have to be settled before you could decide. There are the transportation facilities that are necessary, and as this site at Niagara is owned by the Provincial Authorities, I have suggested that it is a very suitable site for a model community settlement. If the policy of promoting such a settlement were first decided, and if it were intended to create such a settlement, that would be a desirable situation for it. I happened to be passing the last two or three days in the neighbourhood, and the farmers were grumbling about their bad holdings, which they are unable to cultivate properly because the farms are too large.

By Mr. Nesbitt:

Q. They want us to cultivate it for them?—A. No, I am not suggesting that you take over that responsibility. The only point there is that the encouragement of further sub-division of that land would be undoubtedly—

Q. At Government expense?—A. No, I do not suggest at Government expense. I suggest the Government might take some initiative in the matter. The question as to how it should be done is a matter of policy of course.

By Mr. Mowat:

Q. I can get this land for \$150 an acre within ten miles of Toronto, near the river, and with a spur line from a terminal, which would permit these town men,—because it would be for town men and not for farm boys,—to get into the city easily and enjoy the comforts of the city without much expense or travelling. Is that advisable?—A. It is undoubtedly advisable. I should rather say it is practicable rather than advisable. If you ask me if it is advisable, that is dealing with a question of policy.

Q. I thought you had studied the matter in England?—A. I think it is advisable in the matter of encouraging development but it must be determined on the basis of whether it is good policy, whether it is the policy of the Government to spend money in that direction.

Q. The policy of the Government may be based upon the opinion of experts?—A. There is no question as to its practicability, and it is feasible from a practicable point of view.

MR. NESBITT: Supposing you can get four or five hundred acres of land for \$75 an acre that is close to railway communication, but away from the evils of the city; which would be the better, to expose them to the evils of the city or the comforts of the home?

MR. MOWAT: How about the delights of the city?

MR. NESBITT: I am speaking of the evils of the city.

WITNESS: Our investigation shows that there is as much crime due to the isolation of the country as to—

MR. NESBITT: I think it is more bottled in Toronto than in all the other parts of the country.

WITNESS: I think the reports of the Peterboro assizes show that there are more mental defects in the isolated parts of the country than in the slums of Toronto.

MR. NESBITT: Mental defects?

THE CHAIRMAN: Do not let us get off on a side issue. Let us stick to the main point.

[Mr. Thos. Adams].

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By Mr. Mowat:

Q. The erection of a model town—according to one of your plans,—landscape gardening, and erecting 200 houses in a plot of 500 acres near a large city, so as to enable these men to have both a country home, and yet the city available for them for the purposes of amusement and selling their goods,—what would it cost approximately now to erect 200 houses suitable for returned soldiers and perhaps others in a place like that, ten miles from Toronto?—A. It would cost four to five thousand dollars a house according to the character of the house.

Q. A six-roomed house?—A. It might cost a little more or less, I have not figured it out. I think 200 houses would cost a million dollars including the cost of the land and development. That is \$5,000 a house.

By the Chairman:

Q. Perhaps you will make a statement now, Mr. Adams?—A. I understood I was to come here and give a statement on the progress made under the housing scheme of the Federal Government.

Q. That is the point we want to hear about?—A. I will be very pleased to give any statement that may be desired on the question of community development. I venture to say that that is unquestionably practicable, and the whole question is one of political expediency, as to whether it should be carried out by the Government or not.

MR. NESBITT: The witness stated a few minutes ago that he understood the Federal Government was going to carry on further housing schemes. I would like to know from what source he understood it.

WITNESS: I am sorry if I used those words. I do not recollect saying I understood it. I said if they intended to do it—

MR. GREEN: I think he was quite clear in his statement. He was not suggesting a policy.

WITNESS: I stated that if the Government intended to go into further housing schemes, then this will be a proper way to expend the money. The statement which I wish to make is in the first place with regard to the progress under the vote that has already been made by the Federal Government. Naturally, the first thing to consider before you decide to make any further recommendation, is to decide what is to be done with the \$25,000,000 already voted. That \$25,000,000 was voted by Parliament immediately after the Armistice, and it was voted on this condition that the provinces should have the money given to them by way of loan at 5 per cent, and that each province would use that money under four conditions; but subject to these four conditions, entirely at their own discretion. These four conditions merely related to the preparation of the provincial scheme, the term of the loan, the amount of the loan to be given per house, and the character of that particular house, whether it should be brick, or frame; and the amount of the loan in proportion. I am not going to describe this scheme but will just briefly tell you of the progress made under it. The amount of the federal loan actually borrowed by the provinces up to the end of January, 1921, was \$14,645. The total number of houses erected at the same date was 3,574.

By Mr. Wilson:

Q. Can you give us the amount in each province?—A. I will come to that. The total number of houses erected was 3,574, and the building programme of the different provinces sets out that 1,496 additional houses are expected to be built during the present building season.

[Mr. Thos. Adams].

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By Mr. Cooper:

Q. Under the housing scheme?—A. Yes. Of the above amounts obtained from the Federal Government, there has been advanced from the provinces to the municipalities—that is out of the \$14,000,000,—\$11,853,735, while the total sums allotted to the municipalities is \$18,751,503. The distinction between allotting and advancing is that it has been promised but has not yet been taken up. Applications made by municipalities for the loan represent a total amount of \$34,322,897. Reports from the different provinces show the following results:—Ontario, the number of municipalities that have taken action, 72; total number of houses built, 2,334. Manitoba, 18 municipalities have taken action, and the number of houses built is 525. In British Columbia 27 municipalities, and 359 houses. In Quebec, 13 municipalities and 263 houses built. In Nova Scotia, 6 municipalities and 93 houses built. In New Brunswick, 10 municipalities and 111 houses built. You have there a very small number of houses except in Ontario, with its 2,334. In the other provinces, the highest number was in Manitoba with 525, in British Columbia 329, in Quebec with 263. It will be seen from this result that the province of Ontario has accomplished most. To begin with, it added \$2,000,000 to the Federal loan, and consequently it appointed a Director of Housing to administer that loan. Manitoba also added \$1,000,000. The total amount advanced by the province of Ontario to municipalities is \$8,092,000. The Director of Housing expresses the opinion that there is a great shortage of houses in nearly all the centres of population. Mr. Ellis estimates that there are 20,000 houses short in Ontario alone. The Ontario report for 1920 recalls the fact that the Ontario Housing Act for 1919 was replaced during that year by the Municipal Housing Act. During the year 1919, 1,184 houses were erected on an average loan per house of \$3,106, and this sum rises to \$4,106, in 1920. The Director states that the cost of construction of these houses is probably on an average 15 per cent more than the amount given as the average loan per house. In this statement, this 15 per cent represents approximately the amount paid in addition to the amount loaned by the people who erected houses on their own lots, or who purchased houses from agents. I will not be able to enter into a description of the activities in the different cities, but I would like to cite the example of one city in the West. In Manitoba,—the city of Winnipeg, where 153 houses were erected, 49 of frame construction, 40 of tile and stucco, and others of brick, 97 of the 153 houses were built of fire-proof material which the Commissioners say is a big advance over what has hitherto been done. In the opinion of the Assistant Chief Inspector of Housing in Winnipeg, the housing accommodation in that city has been materially improved by the building of houses under the Commission. Excellent work, he says, has been done by the Winnipeg Housing Commission. I will not enlarge upon that, but I would like to refer to one or two statements in support of the request that further provision be made for housing, and showing what the situation is to-day, as well as the cost of building.

By Mr. Cooper:

Q. Based on the population of each province, what is the percentage in each province that has taken advantage of the housing provision? Have you got these figures?—A. I would require to work that out.

Q. You said that some 2,000 had taken advantage of it in Ontario. Taking the population of the other provinces, what would be the percentage as against that of Ontario?—A. I think I can probably give that in another way, not exactly in the way you suggest. Perhaps this will be the best way of answering your question. Ontario was entitled to \$8,753,000 and has borrowed \$8,750,000.

By the Chairman:

Q. On a population basis?—A. Yes. On a population basis. Quebec was entitled to \$6,949,000, and has only taken up \$1,333,500. These are the two largest provinces.

[Mr. Thos. Adams].

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By Mr. Cooper:

Q. That is what I wanted to get at.—A. The reason for the delay in Quebec apparently is that the provincial scheme in Quebec was more difficult to work out than the Ontario scheme, and consequently there have been certain delays in connection with the administration, owing to a change of the Housing Director. Recently I have had conferences with the officials at Quebec and I believe that they intend to place more of the loan this year.

By Mr. Wilson:

Q. You have not mentioned Saskatchewan and Alberta.—A. Saskatchewan passed an Act, and prepared a scheme but it has not asked for money, Alberta did not even pass an Act or prepare a scheme. The difficulties in these two western provinces are local. It is not a question of not wishing to accept loans at 5 per cent; it is a local question of not being able to grant the municipality loans for housing without limiting the amount which they are entitled to borrow. That being so, the cities did not feel that they could borrow money and add it to their obligations.

Q. Did Ontario and Quebec not impose the same obligation?—A. No, not the same obligation. That money was borrowed without any difficulty in respect of borrowing powers. I think it is very desirable to point out that the increase in the cost of building is not purely a result of the war. The index number of 100 in 1900 had increased 40 per cent by 1914, although in 1917 it went up to over 120 per cent, and in 1920 to 300 per cent. In considering any further question of building in the future, we have to remember that the peak was reached in May, 1920, when the cost of building was 300 per cent higher than the 1900 level, but only 260 per cent above the 1914 level. There have been rising prices for 21 years, not only for the seven years during the war, and a gradual rise in prices has taken place since 1900. That is a fact that is easily lost sight of when you are considering the increase in the cost of things as the result of the war. Then it should be remembered,—I have the figures here but I am not able to give the source though I think they are correct,—that 100,000 couples have been married in Canada during the past year, and that only 11,117 houses have been built. I am not in a position to verify these figures,—they are not my figures,—but I think the reports of the collectors of statistics may be taken as very good evidence, and the figures mean that while 11,117 houses have been built 100,000 couples have been married, and if each married couple desired a separate house, 80,000 to 90,000 would be without houses. Of course, many of them have doubled up, or have gone into apartment houses. That is without regard to immigration, without regard to the families that are entering Canada by every ship. Immigration too must be taken into account in connection with the shortage of houses. The federal loan has been a material advantage in lessening the shortage of houses, notwithstanding that it has not encroached upon the domain of private enterprise in any form that has been injurious. Those who pressed most for this loan were the allied building industries, who would resent any interference with their private work as much as or more than any other body in this country. But if further houses are to be built, it will have to be done with great care, because of the fact that we are on a falling market. Further, the question would have to be very carefully considered from an expert point of view.

The second point that I wish to make clear is that there is no apparent decrease in the need for houses. On the contrary, the shortage is continuing to be pressing, and it is seriously affecting the health of the people of this country because of the doubling-up process. It is one of the hindrances to the development of the country in this way, that while we are spending tens of millions of dollars in some provinces on good roads, and while we have serious difficulties in connection with the railways, we have not houses to enable the people to live in who would use these roads, and who will help to make the railways pay.

The CHAIRMAN: Have the members any question to ask?

[Mr. Thos. Adams].

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By Mr. MacNeil:

Q. How many returned soldiers have benefited under the existing scheme?—A. The fact that the provinces have full discretion in working this housing scheme means that we have no data regarding the character of the occupations of those living in the houses. I would only say that, so far as my information goes, from personal investigation, not more than 10 per cent in some places are being provided with houses. That is not saying 10 per cent on the whole, but not more than 10 per cent of those cases with which I am familiar.

By Mr. Edwards:

Q. I do not know whether I correctly understood the witness or not, but just as I came in I think he stated that there were more mental defectives in Hastings County, or in a part of Hastings County, than there were in the slums of London. Did I understand him correctly?—A. No, sir, I was answering a question which was raised, and I said that there were more mental defectives in those parts of Hastings County,—and I should have added, in the Trent water-shed, where the people are very isolated and on poor land,—than there are in some parts of the City of Toronto. I did not mention London. The investigation made in parts of Hastings county showed this. I was only trying to make the point clear that isolation and poverty produce as bad health effects as over-crowding and poverty. I only wanted to make that point clear, and used part of Hastings county as an illustration.

By the Chairman:

Q. We have been pressed not only this year, but in former years, to recommend a scheme of Federal assistance to the returned soldier to enable him either to buy or to build a house, not through any provincial or municipal organization, but rather through one of the existing Federal departments, such as the Soldier Settlement Board. Would you care to express any opinion as to the practicability of such a plan?—A. I have read the proposals, for instance, of the Great War Veterans' Association in regard to that, and I think it is very desirable that there should be every provision made for housing the returned men. The difficulty is to separate them from the general problem of housing throughout the Dominion. I think that the only way in which they could be dealt with as a special class would be through the Soldier Settlement Board, and, I think, as a matter of opinion; but it is eminently desirable that the Soldier Settlement Board should pay regard to the housing problem generally, and not merely to the settlement of the men in the country. There is a large number of deserving cases in the city where soldiers should have some provision made for them, and where they are not suitable for going on the land, and these I think should be provided for in some form under Government grant, which would enable the men in the city to get the same benefit as the men on the land. I admit the financial difficulties are great, and that is what probably prevents it being done. It is not for want of the desire for doing it. I do not know whether I have answered the question clearly.

The CHAIRMAN: Perhaps my question went rather more into detail than you consider necessary just now, but the question comes up as to whether, in promulgating any such scheme of the sort we should demand from the proposed builder or purchaser a larger percentage of cost than we had in the case of the farmer.

By Mr. MacNeil:

Q. In your opinion, for a scheme of this kind, with the assumption that the Government consents to accede to it, would it be to the advantage of these people to have such a scheme administered direct by the Federal Government rather than through the provinces and municipalities?—A. I have had an opportunity to come into contact with the opinion of the provincial authorities during the working of

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this scheme, and I feel that while there are some who would like to place the responsibility for advancing money on the Federal Government, I do not think the provinces are disposed to hand over the power to carry out the scheme to the Federal Government. I would answer that question in another way; I think the Federal Government is so disassociated from all forms of municipal undertaking that it would be very difficult for them to directly control housing in any of the cities or towns without the intermediary of the provincial government. The provincial government is, in a sense, the financial authority under which all local improvements are carried out. Those local improvements are part of the cost and method of developing the land. The street, the sewer, and the water main are part of a house, and if once you introduce the Federal Government as a building authority or as advancing the money, directly, without the intermediary of the province and municipality, I am afraid it would raise difficulties, and I do not think they should unnecessarily be raised. I think the partnership between the provincial and Federal Governments is one that should be encouraged.

Q. It is not apparent under the land scheme that the benefits of that scheme have not been of uniform application. Certain persons have benefitted, and others have not. Certain municipalities have benefitted and others have not. It has not reached the class in need of housing.—A. Government housing in Canada, whether Federal or Provincial, is a new thing, and the progress made in the circumstances has been satisfactory, and I think that one form in which progress has not been satisfactory is in regard to giving the soldiers as much benefit as was intended. I think you might mislead yourself by emphasizing the fact, even if true, that there is only ten per cent of the returned soldiers living in these houses. The fact is that every soldier who wants a home receives the benefit from the building of the houses, even though he does not live in one himself. I think one of the things a man is impressed with more than another, when he gives up his life to this subject and studies housing all through, is that no matter who lives in the houses erected during a shortage, the more houses you can build the better for all parties. I do not think I would suggest that there was any way in which the Federal Government should step over the heads of the provincial government to deal with this matter.

Q. How would you overcome the difficulties that have arisen in Western Canada because of the inability of the Western municipalities to participate in the scheme? —A. I think we must still leave the matter in the hands of the people who elect the Provincial Governments to enforce this matter upon them. If the Provincial Government do not take advantage of the loan, it is for the returned soldier or those electing the Government to see that something should be done. It does not seem to me that the Federal Government should say "You are not doing your duty; we shall do it for you." I do not like the idea, but if the Soldier Settlement Board extends its privilege to returned soldiers in cities, and returned soldiers only, that would be the solution. They might lend directly to the soldiers, but in co-operation with the province.

Q. Is it true that if the health laws were enforced in our principal cities many thousands of our people would be homeless?—A. There is no question that Dr. Hastings, of Toronto, and other medical officers cannot enforce health laws, and close unhealthy dwellings, because they would be driving people out on the street who would be unable to obtain homes, but that condition exists in all countries, especially at the present time.

Q. The chief objection to housing in the past has been the expenditure involved. Would it be possible in your opinion to undertake a housing programme with progressive features that would obviate a large initial outlay?—A. I think if I were asked what would be a suggestion to make on the most economical lines, it would be that some system should be adopted of having a Board, or an expansion of the Soldier Settlement Board as a development board, for the purpose of making a

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thorough study of this question and advising the Government from time to time of the amount of money it actually needed to carry out its ideas. I think the position at present in Canada is that we have not the information properly to act upon in these matters, and that until there is a body attached to the Federal Government, which might be the Soldier Settlement Board, extended in its scope, to act as a Development Board, to consider all questions that dealt with the development of the country and the building of houses, I am afraid it would not be desirable to suggest any such scheme, until such a body was in operation and able to administer it. In other words, until there is a proper body to administer such a loan, I do not think it desirable to vote further money for that purpose, unless it was merely an extension of the present loan.

Q. Would you have any suggestion which would meet the possibility of loss in value, to safeguard the Government against depreciation in value of houses, building on a fallen market, as was previously mentioned?—A. No, there is no method of course, by which you can avoid a loss on a falling market. The only thing is that the Government, by lending the Provincial Government money at five per cent would actually provide some benefits which would be needed to counteract the loss, that is to say, if you could borrow \$4,000 at 5 per cent instead of 8 per cent that would in itself be, in a large measure, a means of meeting the loss. At the present there are three problems in this matter. There is the question of unemployment. We have serious unemployment in this country. The only thing we are really short of is houses. We have over-production in almost every other field. We are short of houses, and there is unemployment, and we have some aspects of the soldiers' settlement problem which are not solved. It seems to me it should be practicable to bring these things together; to build the houses, to help the returned soldier, and to relieve the unemployment, and in that there may be some loss, but I think it is important to know what the actual loss of the Federal Government is in connection with the present loan. The present loan of \$25,000,000 might, on the surface, appear to meet the vote by the Federal Government of \$25,000,000 for housing, but here the actual case is that the Federal Government agreed to give a loan of \$25,000,000 at a loss of approximately one per cent, or a money contribution in addition to the cost that would have to be incurred in administrative expenses equivalent to \$250,000, if the total amount were borrowed. The total loss to the Federal Government of Canada in connection with the housing scheme will be \$250,000 plus a possible \$50,000 for administration.

By Mr. Nesbitt:

Q. But they loaned to the provinces?—A. Yes, and have the securities of the provinces for the repayment. The province passes that money on at five per cent to the municipality, and the municipality charges six per cent in some cases so as to enable it to pay some of their administrative expenses. Compare that with what is being done in England in one centre. It is going to cost England, according to the estimates of those who are administering the Housing Act, to build 800,000 houses, which they need to make up their shortage, an estimated indebtedness, on the part of the national Government, of twenty million pounds a year for sixty years,—every year twenty million pounds loss is to be met according to the estimate.

By Mr. Wilson:

Q. How many houses?—A. 800,000 houses.

By the Chairman:

Q. Of course, in this scheme, as I think you explained, the Dominion lends to the province, and the province lends to the municipality. We understand that in some of the municipalities there will be a loss, and the municipalities, I take it, must bear

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that loss. So that in addition to the one per cent, which after all is a small amount when you consider what they save in administrative expenses, there is a further loss to the country, although it may not come on the Federal Government?—A. There may be a further loss, but I think that is in proportion to the good or bad management of the housing scheme.

The CHAIRMAN: Absolutely so.

By Mr. Wilson:

Q. Have you ever given any thought to the cause of this housing shortage? Why should we have it? There must be some cause for it. This is something that has developed during the last few years?—A. I think that enters into the very fundamental question, but, to put it briefly, I venture to say that it is largely due to the destruction of financial credit in building before the war and since the war. Money is not available at a reasonable rate of interest for housing, because the security given for investment in that class of building is not substantial enough for those who have the money to invest. Even those who invest money in mortgages on houses are in that position to-day. There are two reasons. One is that we do not take sufficient care of the surroundings of the home, which means a lack of city planning. The houses should be stabilized in value by being properly located and their surroundings controlled. If you do not look after this the value of the house is destroyed by bad conditions in the neighbourhood. The second point is that in our system of taxation, undoubtedly it has the effect in some cases of taking away from the security of the investment. I mentioned a case the other day where a property was depreciated seriously by reason of converting its assessment from a residential basis to business basis—that the security for the mortgage was largely taken away. I would say it is very largely a question of having caused capital to leave that particular class of investment as a result of not having planned our towns sufficiently to make the investment secure.

By Mr. Nesbitt:

Q. Is there not a very strong reason in the fact that the cost of building material, and the cost of building on account of the cost of labour increasing so rapidly since the war, or since 1916—that it is not a paying investment for men to put their money into?—A. That has added to the difficulty, but if you take the report of the Labour Department in 1913, you will find that we had a serious shortage of houses even then, when prices were normal. Increased costs have accentuated the trouble, but it has not been the source of the trouble. I think you will find that there was a shortage before as well as now. I agree that prices are a very serious factor.

By Mr. Wilson:

Q. I think that possibly the automobile has a lot to do with the shortage of houses to-day. What should be the primary object, that of building a home is sacrificed to owning an automobile. It seems to me that a great many of our people own automobiles and have invested money in them that would make a very substantial first payment on a home. I believe that this has a lot to do with our housing problem. Many of the people who have automobiles should rather put their money in homes.—A. Of course you must divide this question into two parts. One part is entirely connected with the individual's shortcomings. The other is what can the Government do to carry out its responsibilities? While I accept the position that you cannot solve the problem without regarding the individual responsibility, I would say that there are many directions in connection with housing in which Government responsibility lies. The matter you speak of seems to be rather a case of getting the individual to improve his habits. It is true that in some sections of the country there are people of whom 2 per cent have bath-rooms and 14 per cent have automobiles. But I would suggest that there are directions in which the Government has responsibility, and one lies

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in helping to overcome those difficulties, in providing legislation to protect the security for the investment of capital, and in making a full investigation into the problem. I do not think that there is any way of solving this problem satisfactorily except by a general investigation on the part of a body representing the Labour Department, the Immigration Department and other departments of the Government, and one of the objects of that investigation would be to bring in a recommendation on the subject raised by Mr. Mowat, which I do not think has been sufficiently studied. The position to-day is that we are in need of proper information of this kind. If I were to go on giving facts and opinions based on my investigation I could keep you here listening for weeks.

By Mr. MacNeil:

Q. You spoke of the necessity of co-operation with the provinces. If a scheme were outlined under which the benefits of housing were brought directly to the attention of the returned soldier in a manner similar to that which exists under the Soldier Settlement Board, would it be possible to obtain the co-operation of provinces and municipalities without placing the loan directly under their control? Would it not be possible to get their co-operation in that respect?—A. I think it might, but the suggestion should be made to the provinces to let them co-operate from the beginning. I do not think that the provinces would co-operate if you first provided the loan and then told them that it would only come under the control of the Federal Government. The provinces are naturally very jealous of their rights, and I think it has always been felt by the Federal Government that these rights must be fully respected. I do not see any difficulty in having a scheme of advancing loans direct to soldiers by the Federal Government and so long as the rights of the provinces are respected.

Q. Have you given any thought to a co-operative house building scheme as they have it in England?—A. I have reported on that very fully to Mr. Mowat, and the suggestion is that that should be placed on the record. My recommendation on this question was that the question should be carefully considered with expert aid, so that a definite scheme could be brought in and submitted either to this Committee or to the House.

Q. Co-operating house-building is practicable, is it not?—A. Co-operative house-building is of course a very wide term. There are systems that can be applied very satisfactorily in Canada so long as they included the ultimate aim of giving the man ownership of his own dwelling. I do not think that any co-operating house building system which meant tenancy and rental would be successful in this country. If it meant ultimately that the man would own his own home, which I think could be worked out, it would be an excellent scheme.

Q. What has been the experience of co-partnership building companies in Canada?—A. No such companies have been formed. In England they have been successful, but there the system is one of tenancy. It would be necessary in this country to make it apply to a system ending in ownership.

Q. Have you given thought to the operating of co-operative house building companies on the security phase of the question? Could you in any degree substitute joint security for the usual security?—A. It can be done in the same way as you do it under the rural credit system. The disadvantages that the man who most needs a house has no money to invest even in a co-operative scheme. The man with \$50 or \$100 cannot get a house, a man has to have \$400 or \$500 at least. In a co-operative scheme you get down to the man with less money of his own, but the whole thing depends on getting a group of men interested in promoting such a scheme and carrying it out. There is the difficulty. Where is the group of men who will start a co-partnership society, and who will give their time and some of their means, and manage it during its operation without any remuneration? There is nothing left in industrial housing to pay directors' fees.

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Q. Would a suburban settlement be the first practical step in housing? Would it aid in the solution of our industrial problems to an appreciable degree?—A. I think the only way to help Canada to solve its housing problem is, whether by Government aid or otherwise, to create an actual object lesson in the neighbourhood of one of the big cities. I do not think that talking on housing does much good. The only way is to show how it can be solved. The Government need not give money in opposition to private interests, but should set up a practical demonstration of how this problem can be solved. I believe that that is the great need of this country to-day.

By Mr. Mowat:

Q. Is it not a fact that in England these garden cities have been so successful from a business standpoint and so popular from a residential standpoint, that the land about them has increased very much in value? Around Letchworth, I am told, the value of the land has increased about one-third?—A. I would not say that they were complete financial successes. They have paid dividends on all the money borrowed since they were started. They have not paid complete dividends on their ordinary shares, the shares invested as common stock. But they are gradually paying these dividends and increasing them. As regards the difference in the value of land at Letchworth, the land was purchased at \$200 an acre, and if you desire a business site in that city to-day, you would have to pay perhaps \$5,000 an acre for land that was bought at \$40. If you wished a site for a home, you could probably buy it for \$1,500. The commercial soundness of the scheme rests on its conversion from an agricultural site to a business and building site. We will not get anywhere in Canada by merely talking. We have to get an object lesson.

Q. Suppose that you start one of those towns near a city to look after the city men and put them there and given them housing facilities, where they can take an interest in the place, and take hold of the thing, so that they can take a pride in their village. When there is a great demand for houses there and the land about it becomes more valuable by reason of the popularity of the village, would you consider that a good object lesson?

The CHAIRMAN: It might be a good object lesson to those who have their land increased in value by the addition of a few hundreds of inhabitants in the neighbourhood of their land, but it would increase the cost to everybody else.

WITNESS: I think that the only safe way is to acquire land and let the increment of value go to the benefit of those who create it. If you acquire land at \$200 an acre as you can do within five miles or six miles of Montreal, and you convert that land so that it is worth 50 cents a square foot, it is all right so long as those who create that 50 cents get the benefit. But unfortunately we have not reached the stage when we can get a group of men in Canada to make an experiment of that kind. I think it would certainly be in the domain of the Dominion Government to do so if it were done primarily for returned soldiers, but not otherwise, to have a scheme like this at Niagara, and to make it a model scheme for returned soldiers. I know of no monument that could be erected that would be of greater value not only to the soldiers but—

By Mr. Mowat:

Q. In England they have now come to the conclusion that they must have so much land with shops on the border of the garden city to compete for the trade of the garden city. The people want a few shops to go to?—A. That is a matter of detail. I do not think there is any principle involved. The point you are referring to is probably this: The garden city, as it is called, is based on the assumption that a city needs a garden around it as well as a house; in other words, that there should be preserved around the city an agricultural belt, so as to connect manufacture and agriculture. In southern Florida that is being developed to-day. It is the same at Letchworth, and the sur-

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rounding belt must always be used for agricultural purposes. It is argued that a city should have surrounding it an agricultural belt or garden, like the Experimental Farm, in Ottawa, for instance, which would never be built upon.

The CHAIRMAN: This is all very interesting and very important, but time is going on, and I do not know whether we can devote more time to this question. We have Mr. Mabier here also, and we desire to hear him before we adjourn.

Mr. NESBITT: There was a report of Mr. Adams' that Mr. Mowat wanted to have put in the records. I move that he be allowed to do so.

WITNESS: I would also ask permission to put in the report on the Federal Housing project.

Motion agreed to.

Witness retired.

S. MABER, called, sworn, and examined.

The CHAIRMAN: I understand you have a statement to submit.

WITNESS: Our understanding is that the Committee are not interested in the subject of housing in general, but only as it affects the case of the returned soldier. Suggestions have been made in connection with proposals for the housing of returned soldiers that provision should be made for the granting of loans for that purpose through the Soldier Settlement Board, along somewhat similar lines as loans are granted on farming properties.

The subject of the housing of returned soldiers affects:—

- (1) The question of re-establishment;
- (2) The economic question of building houses;
- (3) The question of administration.

The first concerns the claim of the returned soldier to special consideration by virtue of war service or a prior right, to participate in any general provision made for housing.

The second concerns the business elements in the proposal. Do economic conditions in Canada, the shortage of houses, the high rents, the future requirements for houses, justify the Government in making a large investment of public moneys in houses? Can such investment be made on safe lines so that abnormal losses of public moneys will not occur? Is the Government in a position to make the necessarily large outlays of moneys involved?

The third question concerns the proposal that the administration be through the Soldier Settlement Board.

1. The first, namely, re-establishment, gives the question of housing broader aspects than if dealt with merely as an economic issue. The economic consideration deals only with the requirement to build more houses to meet a shortage or possibly to furnish employment. From the point of view of re-establishment, however, as in the case of the Australian legislation, the question arises of the privilege of granting loans on first mortgage and the purchase of existing houses, that is, loans for the removal of encumbrances or for additions to or improvements on houses which the soldier already owns, and secondly, the purchasing of houses already erected which the soldiers have under agreement of sale or desire to purchase. Under the Australian legislation the major portion of their operations to date have been with respect to houses which were already erected. Neither of these privileges would enter into an ordinary housing policy which concerns itself simply with a building programme for the erection of houses. It has appeared to us difficult to treat the subject of housing

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for returned soldiers otherwise than as re-establishment. If treated as re-establishment, the privilege of loans on first mortgage and purchase of houses already erected should be allowed. If it is treated as an economic question, it is merely a question of building more houses provided they are required.

Loans on first mortgages could proceed on a basis of comparative safety. It is also extremely possible that loans for the purchase of existing houses could as a matter of investment be administered more safely than the erection of new houses. In fact, an extensive programme of the erection of new houses at the present time and at present prices presents the most difficult features in connection with the proposal, both in regard to the security of the money invested and the high cost of same to the soldier who must pay for it.

The Soldier Settlement Board has not made an enquiry into the subject of housing as a re-establishment requirement, and the Board is not able to advise the Committee on this feature of the proposal.

2. On the economic question as to whether a shortage of houses or exorbitant rents justify a building programme by which the Government would make a large investment in houses, the Board has no information, and consequently could not without considerable enquiry advise the Committee as to how far the general need of housing should enter into the consideration of the question as to whether or not a housing policy should be provided for returned soldiers.

3. On the question of administration, the suggestion has been made that the Soldier Settlement Board is available for the purpose of administering a housing provision. The argument is made in support of housing proposals on the ground that:—

(a) The expense of administering a housing measure would be materially reduced because of the existence of the Soldier Settlement Board staff, local offices and general organization, for the taking of and dealing with applications. The expense of an entirely new organization for the purpose of housing would not therefore be required.

(b) The granting of loans for residential properties presents many general features in common with the granting of loans on farming properties. The business elements are similar. In both cases loans could only be made to persons who satisfied the Board that they had reasonable prospects of carrying out the terms of the loan. The same general considerations of security and safe investment obtain in one as well as in the other. The District Offices with their staffs are available for the receiving of applications and the determining of the military eligibility of applicants and for inquiring into their qualifications; its appraisal and inspection department, its loan approval department, its legal department in connection with the acquiring and searching of titles, and its disbursing and collection department, etc., are all readily adaptable for the purposes of administration.

The Board believes that its organization would lend itself readily to the administration of housing loans if such were deemed expedient or to co-operate in such administration.

There is a precedent in the case of New Zealand. Loans on residential properties and farming properties are both granted under the same administration and Act, namely, the New Zealand "Discharged Soldier Settlement Act." Under that legislation, up to the 1st of March, 1921, 8,245 have been assisted in connection with land and 9,000 in connection with housing. In Australia the housing provision is under a separate Act, "The War Service Homes Act," and the administration under a Commissioner of Housing.

Since the Board has not made any specific enquiry into the subject of loans for housing, it is not able to make concrete recommendations to the Committee as to the [Mr. S. Maber].

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qualifications, restrictions, and safeguards which, in its opinion, would be necessary to reasonably insure the repayment to the public treasury of advances made in the event of a housing policy being deemed desirable.

A few further observations might be made, merely by way of discussion.

Qualifications.—As in the case of farm loans, qualification and security are of primary importance. The Australian legislation has laid down the requirement of qualification quite clearly. Section 28 provides that the Commissioner must refuse to make advances to any eligible person unless he is satisfied the person has a reasonable prospect of carrying out the terms of the contract or advance. It also provides for cancellation after three months default. Similar provisions as to qualification and cancellation exist in the New Zealand and the Ontario Housing Acts. Qualification for housing, the same as qualification for land settlement, would have to follow certain business requirements. The moral risk would have to be adequately determined.

Security.—It is probable that houses should not be built or otherwise acquired in advance of actual applications. As in land settlement, purchases or loans should only be made after receipt of an actual application and after the necessary cash deposit has been made. Security would seem to suggest the necessity of reasonable limitations to a building programme on a falling market.

It would be laid down as a basic requirement that the house purchased, whether already erected or to be erected, must be so located that if it comes back on the Government's hands it could be readily rented or resold; otherwise it should not be acquired. This policy may mean that in many localities in a city or in many of the smaller towns or villages it would be difficult or impossible to approve a loan to acquire or build a house if there is a surplus of houses in that locality, unless in the individual case the margin of security which the applicant offers by personal equity and other factors is sufficient to offset the disadvantage. To what extent this restrictive measure should be applied would have to be determined as a matter of Government policy.

First Mortgage.—It is probable that on first mortgages there should be a limitation in the amount which may be advanced similar to the case of loans on first mortgages in land settlement. Under The Soldier Settlement Act loans for the removal of encumbrances are limited to fifty per cent of the value of the land, with a total for all purposes of \$5,000, instead of \$7,500. In the case of housing, loans for the removal of encumbrances should be limited to fifty per cent of the value of the property, and not more than, say, \$3,000 for all purposes, including additions and improvements. Such a provision is advisable, as in many cases a loan might be a good risk with this margin of security, while it would not be a good risk if treated as a purchase.

Assurance Fund.—A scheme on a business basis such as we are now discussing may include provision for an assurance fund to offset losses by increasing the selling price two per cent or more—whatever might be determined as the proper percentage. If the total loans were \$50,000,000, this would get an assurance fund of \$1,000,000. A percentage could also, if desired, be added to cover the cost of administration, appraisal, supervision, legal work, etc.

Amount of Advances.—The maximum amount for loaning should not be fixed at too low a figure, since it must apply to varying conditions throughout Canada. If the amount be fixed too low, it means the acquirement of houses either poorly located or too cheaply constructed, and does not make for security.

The reasonable maximum should be ascertained; probably \$5,000 less 10 per cent cash payment. Unless the provision is adequate from the standard of cost, it would be better to have no provision. A cash payment should be made on total value of land and buildings.

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The programme of loaning should be spread over several years, unless economic conditions otherwise require. The first year's operations should be on as conservative a basis as practicable, and from the experience of that operation expand or retrench as the circumstances will determine.

In addition to ordinary prepayment privileges, the privilege of prepayment of any amount in excess of the payment contracted for might be allowed, and to attract prepayments such amounts might be paid into a sinking fund and bear interest at a rate of one per cent higher than the rate charged.

The sinking fund also would be a protection to the man in case at any future time his payments fall into arrears. This is merely a suggestion. But probably a concession in this form would be more valuable than concessions in any other form, in consideration of re-establishment such as administration without cost.

Suburban Housing.—There is one phase of the housing question which connects itself very closely with land settlement; that is, the question of housing on small holdings adjacent to urban centres. This is a combination of land settlement and housing. The primary consideration in land settlement is that the settler must get his living from the farm and the land itself must be a self-sufficient farming unit.

In the case of suburban housing the principle of land settlement in the above sense is entirely departed from. The man in that case gets his living from his ordinary occupation, and not from the land. For that reason it is housing, and not land settlement.

The market garden, however, forms an important addition to his livelihood and a real and tangible asset in times of depression and unemployment. In such cases he might grow an acre or two of potatoes, an acre of vegetables, and part of an acre of small fruits, a poultry run, etc.

The conditions of qualifications are that the applicant must be eligible to provide himself with a home, that he must have employment or a trade or income sufficient to do so, that he must be a man who particularly desires that form of settlement.

The land must be in a suitable district and must be a good risk; it must be on a car line or other adequate transportation within easy reach of his place of occupation; the soil must be approved as suitable for market gardening. No special knowledge of gardening would be required. Provision could be made by the Board for advice and instruction and supervision by its Agricultural Branch.

The policy is an attractive one, if after investigation the business factors are found satisfactory, because it offsets the disadvantages of city congestion, and because it is a progressive and modern movement and very desirable from a national standpoint. The Board is particularly well equipped to investigate the feasibility of suburban housing as a general policy and give an opinion as to its merits as a practical plan.

Witness retired.

Mr. NESBITT: I move that we do not hear any more evidence except what we may require in executive session.

Mr. BRIEN: I second that.

Mr. COOPER: I think that we should leave that open; there may be some evidence that we should like to hear. I do not think it is necessary to have a formal resolution.

Mr. GREEN: I think the formal resolution is quite right. If there is any evidence that we think it necessary to hear we can call for it.

Motion agreed to.

The Committee adjourned until Monday, May 2, at 11 a.m.

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HOUSE OF COMMONS,

COMMITTEE ROOM 435,

MONDAY, MAY 2, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers, met at 11 a.m., Mr. Hume Cronyn, the Chairman, presiding.

Other members present: Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Redman, Savard, and Spinney.—15.

The CHAIRMAN: I understand that Major Burgess desires to submit a statement.

Major W. A. BURGESS: What I desire to speak of is apropos of the recommendation of the Amputation delegation which appeared before the Committee, to the effect that the rating be placed at 50 per cent rather than at 40 per cent. I would like to give you very briefly the history of these ratings. They were arrived at when the first Parliamentary Committee sat, and were the results of a committee formed of the most prominent physicians in Canada that could be obtained, a representative of labour, and the secretary of the Ontario Compensation Board. Of course, it must necessarily be agreed that the rating is an arbitrary one. It was based on the best evidence available. For the loss of a leg below the knee, where the stump is sufficient to provide a short limb, the rating is fixed at 40 per cent. That, of course, is a basic award. If that award were increased 10 per cent as recommended, the award for above-the-knee would necessarily be increased 10 per cent, and the award for the middle of the thigh amputation and for the hip would necessarily be increased 10 per cent. That would also have a corresponding effect on the award for the amputation of the arms. It is now considered that the loss of an arm at the shoulder, and the loss of a leg at the hip are approximately of the same extent. It would also have an effect on every degree of disablement of the limbs resulting from an injury. For instance, the fixation of knee joints in a good position is estimated at half the loss of the leg—that is 20 per cent. So that if you increase the loss of the leg to 50 per cent, you would necessarily increase that to 25 per cent. All degrees of limitation of movement of the joints would be correspondingly affected, as well as any other disablement of the limb. I just want to point that out. It would not only mean the increase that they ask for, but a corresponding increase for injury to the limb, I have tried to obtain figures. Of course, you will understand that it is impossible to obtain accurate figures, but I have a number of cases of amputation of the legs and a number of cases of ankylosis, that is, fixation of the various joints. These figures are too lengthy to read, but if you like they could be placed on record.

The CHAIRMAN: I think we should have them.

Major BURGESS: We have statistics prior to 1918; and from 1918 onwards there have been 1,889 leg amputations. Estimating that there were prior to that time 360, out of the 1,889 amputations there are only 335 which are getting 40 per cent. That is roughly one-fifth that is getting the minimum. I may point out that that 40 per cent is only a basic award. Because a man has his leg off at a certain place, it does not necessarily mean that he is entitled to only 40 per cent. It is according to the actual disability that he has. If his stump is perfectly normal he gets 40 per cent, but if it is sore, if it is not properly covered by a good pad, or if there are nerve filaments in the stump, or there is any other reason, he gets the added disability.

The CHAIRMAN: He gets 40 per cent any way.

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Major BURGESS: 40 per cent is the minimum, and of the 1,889 cases there are only 335 that receive the minimum.

Mr. MORPHY: Is there any elasticity in fixing the rate?

Major BURGESS: There is every elasticity, sir, except that one cannot go beyond the minimum.

Mr. MORPHY: Having regard to the statement you made a moment ago that the two cases of amputation, leg and arm, were in the same class; that is the case of the man who has lost his left arm at the shoulder, and the man who has lost his right leg at the hip, what elasticity is there in regard to these two cases?

Major BURGESS: They both get 80 per cent. The man who loses an arm at the shoulder and the man who loses a leg at the hip are entitled to 80 per cent. The two disabilities are classed the same. There is a great deal of discussion as to which is the greater disability.

Mr. MORPHY: But they are fixed at 80 per cent in both cases?

Major BURGESS: The minimum is 80 per cent.

Mr. MORPHY: Supposing that there was an undue handicap in either case, to what extent does the elasticity extend?

Major BURGESS: To 100 per cent.

Mr. BRIEN: Besides a helplessness allowance.

Major BURGESS: Quite. The amount of the disability total is the minimum. There is no maximum amount except 100 per cent. For the 1,889 amputation cases, the present liability is \$1,082,340, while the proposed liability would be \$1,190,574. Out of the fixation of joints, the present liability is \$180,450, while the proposed liability would be \$189,000. The total increase for amputation and fixations of joints would be an annual increase of \$139,363. I have not covered the arm cases. There are 953 cases with one arm, and there are 7 cases with both arms off. I have not touched these at all. The increase of \$139,363 covers only leg amputations and fixation of joints. You cannot attempt to get statistics covering all the disablements of limbs. The average amputation pension is \$573.

The CHAIRMAN: There was some question raised as to multiple disabilities.

Major BURGESS: The total disability is not arrived at by the simple addition of the various disabilities. For instance, one of the witnesses added them up to 135 and 160 per cent. That could be carried on to an absurd degree. A man might have very many minor disabilities, and he might be entitled to a 100 per cent pension, whereas he would not be anything like 100 per cent disabled. The comparison is always made with the totally disabled man. For instance, a man who has a leg off and is blind in one eye is not 100 per cent disabled. Therefore, he does not get a 100 per cent pension. There are cases where the addition of the disabilities does not represent the actual disability,—where it is even greater than that. For instance, if you have two fixed knee joints, the addition of the two disabilities would be 40 per cent, whereas the man would have a 60 per cent or 70 per cent disability.

Hon. Mr. BÉLAND: For the two disabilities?

Major BURGESS: Yes.

The CHAIRMAN: Ankylosis in one joint is fixed at 20 per cent, and in the other at 20 per cent?

Major BURGESS: Yes, whereas the real disability would be much greater than that.

The CHAIRMAN: As a matter of practice, I suppose the cases are unfortunately larger in number where the added disabilities are reduced when taken as a whole?

Major BURGESS: Much larger.

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The CHAIRMAN: The Americans do regard the multiple disability from a different point of view, I understand?

Major BURGESS: Yes, although they recognize that our system is a very logical system. When I was last down there, they stated that they were going to endeavour to have their Act changed. They take two disabilities and add them together, and then add 20 per cent to that. That is the way they arrive at it, and they cannot explain how or why they do it. But that is the way it is done. We have very few complaints as to multiple disabilities.

The CHAIRMAN: You have described to us how your table was fixed, that it was by consultation with the best men available at that time, with labour representatives and with the Secretary of the Ontario Compensation Board. My idea is,—I may be quite wrong,—that the disability was fixed, having regard to history prior to the war, whereby a disabled man could, in the majority of cases, be re-absorbed into some industry, into one industry or another. Now it seems to me that we are clearly up against this fact, that to-day the industries cannot absorb or will not absorb the disabled man; and in consequence, the disabled man has not only his actual physical disability, but the added handicap of not being able to find employment.

Major BURGESS: Are there any figures showing that the man who suffers from amputation has more difficulty in seeking employment than any other form of disablement?

The CHAIRMAN: Perhaps there are no figures, but there have been very strong statements to that effect.

Major BURGESS: Our experience has been that the cases of amputation, as a class of case, do not have great difficulty in getting employment, because they are so well looked after by the Department.

The CHAIRMAN: I have a letter here which I received to-day from Regina. It refers to the situation of crippled men regarding employment. It is typical of what we have heard throughout this, and other inquiries. It would seem that positions for crippled men are hard to find, according to this letter.

Major BURGESS: I was speaking particularly of that class of case—amputations.

Mr. MORPHY: Would you mind stating, Mr. Chairman what you mean by that remark? What do you mean by saying it differs from the Department?

The CHAIRMAN: I think the evidence we have heard this year and last year go to show that it is exceedingly difficult for a man with an arm or a leg off to find work in the country.

Mr. CALDWELL: The gentleman from the Department says it is specially easy.

Major BURGESS: No, I do not mean that, but the cases of amputations are cases which are particularly looked after by the Department, not by the Pension Board, of course, but by the Department. They have educational classes. A man with an amputated limb is not allowed to leave until he is able to walk pretty well, and these classes of cases are closely followed up. They have placed very many of these cases in quite good positions.

Mr. DOUGLAS: I understand from that remark that it is re-educated amputation cases you are speaking of?

Major BURGESS: Yes.

Mr. DOUGLASS: There are hundreds of cases who do not require re-education who endeavour to get their own positions back, and I would imagine from what the Chairman has read that this is one of those cases.

The CHAIRMAN: He was re-educated. As far as the Government service was concerned, I am not saying that the Department has not done everything possible to find posts for these men. The difficulty, it seems to me, lies with the outside employer.

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Mr. CALDWELL: The individual firms.

The CHAIRMAN: Yes.

Mr. CALDWELL: The tendency is to get a man with all his limbs, and there is no trouble getting lots of them, because there is much unemployment.

The CHAIRMAN: There is no doubt this statement is greatly exaggerated.

Mr. CALDWELL: Yes.

Mr. MORPHY: Have you anything from your experience to suggest that the Government or State may do by substituting, or initiating State work or institutions whereby, if it is true that employers of labour refuse to employ disabled men, the State can provide a satisfactory means of enabling these men to get proper employment and support themselves at the pay of the State?

Major BURGESS: Well, I am not very well able to give evidence on that, but I presume the department, if their present scheme were enlarged upon,—for instance, this shop which they have for subnormal cases, and which some one from the department stated they propose to enlarge upon and have all throughout the country,—I imagine that sort of thing will provide adequately for these cases, for those who have not been able to get employment, but I think the Committee will remember the case of Curley Christian, which came up last year,—that is the man with his legs off below the knee, and his arms off below the elbow. There was some discussion about that case as to whether he was totally helpless or not. That man at the moment has a position, and is earning fairly decent wages. He is a pool marker. He is in a pool-room, and all he has to do is to put a triangle over the pool-balls.

The CHAIRMAN: There was some discussion as to the desirability of the Pension Board utilizing the helplessness allowance in peculiar cases of disability, amputation cases, blind cases, and otherwise using the helplessness allowance in a more liberal fashion to meet the situation which has arisen and may persist for some time. What do you think of that?

Major BURGESS: Well of course, the special helplessness allowance can only be awarded to those who are 100 per cent disabled, and the scale has been increased. We get very, very few complaints from those men who are helpless, in the matter of their allowance.

The CHAIRMAN: Do not the totally blind think you should make some further allowance?

Major BURGESS: We have had no representations from them.

Mr. NESBITT: Their claim, as far as I have heard is for free transportation.

Major BURGESS: They made a claim for an increase last year and got it. They made no claim this year, nor have we had any claims submitted by them.

Mr. NESBITT: Is the case you referred to a single man.

The CHAIRMAN: I should say he was, but he does not state.

Hon. Mr. SPINNEY: What is the number of amputated soldiers seeking employment?

Major BURGESS: We have no record of that.

Hon. Mr. SPINNEY: You have no idea?

Major BURGESS: No record whatever.

Hon. Mr. SPINNEY: Could not a campaign be entered upon with employers of labour, outside of the Civil Service Commission to urge the appointment or selection of these men for such duties as one disabled man might be able to perform, take elevator service and various employment such as you suggest, pool-rooms, and places of that kind, where the disabled soldier might be employed without sacrificing the efficiency of the service.

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Major BURGESS: Quite. Of course every amputation case should be fitted into a proper place in labour, and the day is coming when the matter of industrial employment will be adjusted better than it is at present. In the United States that movement is growing all the time. Take large industries employing a medical staff to go over their complete staff and find out whether each employee is in his proper place, and when the time arrives that that is done, it will be very easy to fit all these men into their proper places. That subject is a most interesting one and has brought out some very useful statistics.

The CHAIRMAN: Later on we will take the proposed amendments to the Civil Service Act which is designed to provide a permanent method whereby disabled men,—amputation cases,—can eventually be absorbed into the Civil Service. There is to be a register of all these men, and certain jobs are to be reserved for them, and not filled by able-bodied men.

Witness retired.

The Committee then proceeded to consider, in executive session, the suggestions and proposed amendments to the Soldiers' Insurance Act.

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

WEDNESDAY, May 4, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and Re-establishment of Returned Soldiers, met at 11 a.m., Mr. Hume Cronyn, The Chairman, presiding.

Other Members Presents—Messrs, Arthurs, Béland, Caldwell, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Nesbitt, Savard, Turgeon, White (Victoria) and Wilson (Saskatoon)—15.

Mr. COPP: A few days ago, Mr. Cochrane, from Moncton, made a statement with reference to the soldiers laid off in the shops. The Committee suggested that he should make a written statement and fyle. He has sent this statement. I move that it be made part of the record.

The motion was carried.

The CHAIRMAN: Mr. Nickle, from Kingston has been kind enough to attend the Committee meeting to-day, I may say very largely, I think, at my urgent solicitation, because he has been in touch with the situation, first as a member of the former committees, and then as Hon. Secretary of the Patriotic Fund, and it seemed to me that we might hear from him on the situation.

Mr. W. F. NICKLE, K.C.: I may say that I thought that I was to be asked questions this morning rather than to make a set speech. Let me assure the Committee that I am not suggesting that there is any peculiar virtue in myself, but I am here simply as representing the Canadian Patriotic Fund, which has, during the past seven years, been particularly, and peculiarly, in touch with the ex-members of the Forces; and it is a unique pleasure to be here looking from without to within rather than as I did for many years, from within to without.

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I desire to direct your attention to a few problems that have confronted us, and particularly myself, during the past two years, since I have been Honorary Secretary of the Fund. One of the problems this country has to face,—and I am not sure that the time has not already come when the problem must be grappled with,—is the question of premature senility. I mean by that the case of the men who went overseas, probably over forty years of age, perhaps nearer fifty, came back and were discharged apparently sound; but the exertions, the exposure and the stress of service has so robbed them of their vitality, that, although they are perhaps only fifty or fifty-five years of age, they are in reality,—not measuring time by years, but by experience,—nearer seventy, and find themselves quite unable to get back to the work which, before the war, they performed satisfactorily. Then there is another class of men to which my attention has been directed by the medical men, and that is the class of man who finds it impossible, if I may use a generic term, to rehabilitate himself, the man who, taken from certain domestic surroundings during civil life far from satisfactory, was trained vigorously, well fed, properly clothed, and reasonably well housed, a man who, brought to a condition in which it could be said that he was fit, carried on and carried on well, and who has been brought back and discharged from the duties which he had been performing, and finds himself, due to the army life he had led in the open air, utterly unable to adapt himself to the conditions in which he formerly lived. It has been impressed on me by medical men, who have come in close contact with this class, that many of these men are steadily breaking down, and it is the opinion of those with whom I have talked that the country must consider doing something for these men, although they were discharged without any disability being apparent. Dealing with matters not so much of principle but of practice, I may say that I doubt very much the wisdom of the continuance—although I do not wish to be considered capriciously critical—of the principle of the commutation of pensions. Letters are coming to me, as representing the Canadian Patriotic Fund, from time to time from those who, on a computed pension, have branched out in business ventures that have not proved successful, with the result that they are now absolutely without means and find themselves in a peculiarly distressing condition. The little pension which they had been in the habit of drawing having been absorbed, there are no means, certainly to-day in the stress of industrial conditions, of earning a livelihood. Then there is among the administrators of the Patriotic Fund, dissatisfaction at the administration of the clauses of the Pension Act dealing with prospective dependency. As you are aware, the Patriotic Fund in its post discharge relief work assumed the responsibility of caring for the dependents of the ex-members of the forces, where sickness, subsequent to discharge, had attacked the ex-member of the forces or some member of his family. We find there are numbers of cases of dependents, who were not dependent at the time the man enlisted or during his service, but whom we are now being asked to take care of, although it was abundantly clear that if the man had not gone to the front and been neither killed nor wounded, in all human probability would have taken care of these dependents when the time came for it. I would like to draw your attention particularly to this class of case, because every dollar that the Patriotic Fund gives, where the country should assume the responsibility is one dollar less for the Patriotic Fund to expend where relief at some time will be necessary. I am trying to place the matter before you from the point of view of the discharged man.

There is another class of case where a man has been awarded a pension. Let me say, if I may make an arbitrary division, that the man who gets a pension of, say, 75 per cent, is so disabled or crippled that in the every-day life he is practically 100 per cent disabled. Within the past few months I had a man come into my office who had one leg gone, and the other knee so stiff he could not use it, and one arm partly shot away, and the other elbow injured; he was rated as a 90 per cent disabled man. In my office he had the misfortune to fall on the floor in the outer room, and

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he was so helpless that my stenographer and myself had to lift him to his feet; and yet that man is getting 90 per cent pension on the ground that there was still an element of usefulness in him. I think the Committee might well consider some readjustment of these high percentages of disability which should be regarded as practically 100 per cent disabled, for the reasons to which I shall direct your attention in a moment or two.

Then there is a man on the other end of the scale with a 10 per cent or 15 per cent disability, drawing a very small pension, although a pension which would help him somewhat. As you will remember, when I used to be a member of this Committee, representations were made to the then Pensions Committee that the scale of disability had been established after careful consideration and assimilation of the workmen's compensation tables throughout the world. Those tables without doubt were compiled under normal industrial conditions and would have no application to such conditions as prevail in Canada and the world in general to-day. We find in Canada an industrial stagnation that has rarely been equalled, and we find the country suddenly flooded with a multitude of disabled men much greater than could be absorbed if industrial conditions were normal, and certainly beyond the possibility of contradiction they are incapable of being absorbed during such a period of depression as prevails to-day. Under these circumstances it does not seem unreasonable that the man who is getting a small percentage of disability, if the object of the pension is to put the man in such a position that he may be able to earn a living, that they should have their pension increased somewhat during this period of intense depression, or, as was suggested in a memorandum that Mr. Morris presented to you a few days ago, that steps should be taken by which they could have a preference by employment being secured for them.

As I said to you in the beginning, the Canadian Patriotic Fund was organized for the purpose of giving benevolence to the dependents of the members of the forces, and when the post discharge relief work was undertaken and an amendment secured to the charter of the fund, the original object was kept in view, and the post discharge relief work was authorized on the basis that the fund only looked after dependents of those who had been members of the forces. The net result is that the great multitude of men who went overseas unmarried, and are still unmarried, do not come within the sphere of activity of the fund, and there are without doubt,—because we have innumerable applications from that class of men, a great many men who, when overtaken by sickness, not incidental to service, find themselves in a most distressing condition, due to the fact that there is no organization to whom they can look for aid. I would not assume the responsibility, without authorization, of saying that the Patriotic Fund should not, could not, or would not undertake, if funds were available, to look after this class of men, but I doubt if our personal organization would enable us to do so adequately. If the Canadian Patriotic Fund cannot do it, I think your Committee might well consider, as I believe you have, the disposal of the Canteen Funds within your control, and make a recommendation as to how it should be used. You might consider whether this is not something the Red Cross Society might well undertake.

Going into another aspect of the problem, I should like you to consider,—and I draw your attention to it,—what was represented to me to be the intolerable delay that takes place at times in the granting of pensions, and the handing of men from the D.S.C.R. to the Pension Branch, and from the Pension Branch to the D.S.C.R. I would like to read you two cases that were handed to me this morning to illustrate my point. One is a case of a man named Dempsey, and the memorandum is as follows:

“Dempsey, No. 1899, wife and three children, husband served in Canada, was discharged, and not allowed to go overseas on account of discharging ears,

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which was recognized to be due to his training and exposure in camp; so he was granted a pension, and also was given vocational training in August, 1919; he would have finished in April, 1920, but was taken ill in March and was admitted to College Street Hospital, where the trouble in his ears was believed to have gone inward, and to have affected him mentally. He was sent to Newmarket April, 1920, escaped from there, was taken and brought back to College Street Hospital, and a short time after was being sent under escort with other mental cases to Westminster, when he again escaped, jumping from the train at Hamilton. The D.S.C.R. will not grant an allowance to Mrs. Dempsey as he had not been classified in the F. Unit whither he was bound. We did not think that was a very fair decision, as he had been under the care of the D.S.C.R. for some time, and was requiring an escort, and it was through the escort's carelessness that he is not now in Westminster with his case diagnosed. He must have been examined both at Newmarket and College Street Hospital, and his disability must be due to service, or he would not have been given his pension, and then vocational training. We referred the case also to the Mothers' Allowance Commission, but they have refused to grant any assistance. Mrs. Dempsey has three dependent children under three years of age."

Now the reason pension is refused is that the body of that man, so to speak, cannot be found. He escaped, and the Patriotic Fund has been caring for his dependents. It seems to be a case the country should look after, and yet the Patriotic Fund, is quite willing to assist until the problem is solved; but we think it rather narrow on the part of those administering the National Fund.

Then I have another case:—

Heslop, 2931; wife and six children, eldest boy of sixteen earning, other five dependent; husband was taken ill at St. John N.B. on the way overseas with the 180th Battalion. Was in hospital there a couple of months, returned to Toronto and was discharged, received pension for some time; this was discontinued; the D.S.C.R. treated him for some time then discontinued this and he was sent to Toronto General Hospital, as a city patient; is in bad physical condition, with some mental deterioration. Eldest boy is only bread winner. Mrs. Heslop's last baby was born end of August. Previous to the father's enlistment he had always been entirely self-supporting, and the family independent; were given a few months' assistance in order to build him up to his old earning capacity. Since January, when we rendered the first assistance, his physical condition has improved from 70% disabled to 50% disabled, but he has still so little memory that he cannot take any work that requires any concentration. He sits in a passive state quietly all day. Our application to the Mothers' Allowance Commission was refused, as it was not considered a case of total incapacity within the terms of the Act. The boy of 16, who was the only wage earner, has had his wages cut to \$10 a week."

That is the class of case which is being forced on us for attention, and while we are ready and anxious to relieve the distressed, we feel, although we appreciate the difficulties of the Pension Board, that justice would not be overlooked if a little wider construction were given to the needs of the men.

That brings me to another point by a natural step, and that is that the Pension Commissioners might give the benefit of the doubt to the man who makes application. Cases have been brought to my attention in which it is made abundantly clear that the disability must have originated from service, but the applicant has found himself unable to prove it. What I would like to urge on this Committee is that they impress the administrators of the Pension Fund with the necessity of exhausting every possible means of information before they refuse a pension to a man if they think there

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is any merit in the application. It was only a short time ago that a case came before me for attention, in which a pension had been refused on the ground that the man had been unable to furnish proof of disability incurred on service. The man did not know which way to turn to procure the necessary proof. He told me where he was gassed. He was present where the engagement took place, how he planned to be in a place where he ordinarily would not have been, and running down these facts, and following the matter through, I was able to convince myself of the truth of his statement, and later on the Pension Commissioners reached the conclusion that it was a case where pension should have been awarded, and it was then willingly granted. But it seems to me there is an obligation on the Commission, that where a man was well and strong before he became a member of the forces, and comes back broken down, or, shortly after at all events breaks down, to make the fullest possible enquiry, and to exhaust all official means of acquiring information before they reach the conclusion that the man is not pensionable.

Then there is another class of case, and perhaps I argue against myself in directing attention to it, but the issue is greater than the individual. The standard laid down for pension is that a man's earning capacity in the labour of the world should have been interfered with through service. That means that he is less capable of earning a living. What would you say to the case of a man who lost all his teeth through trench mouth, who had seven or eight sets of false teeth supplied him, none of which could be adequately used, and pension is refused him, because the Commissioners say that a man who has lost all his teeth and cannot get false ones is still able to earn a living.

I do not think that was the intention of the Pension Act, and certainly they were not carrying out the intention of Parliament in making such a ruling. It seems to me when a man is impaired physically to such an extent as the case to which I have just directed your attention, that the country does owe him some recognition, and if a liberal construction were to be given to the Act, surely it would not be unreasonable to say that a man who has lost all his teeth, and cannot retain the false teeth, is less able to earn a living because he is not likely to be as well nourished as if he had his teeth. That is only an argument, but it seems to me a good argument.

Then there is another case I would like to direct attention to, and I may say that now I am expressing my personal opinion, because there are, in the Patriotic Fund Executive, and elsewhere, many who are opposed to the position I am now taking; and that is that the women who married and through death are, within a reasonable period, deprived of the second husband, should have their pension restored to them. The principle that underlies the Act was that this country obligated itself to give adequate maintenance to the widow and children of the men who happened to die or be killed at the front. We then established a second principle that if the woman remarried she would get a bonus, but that her pension would cease because she would again have a helpmate on whom the responsibility of maintenance would be thrown. If, however, through death, she lost her second husband, why should those children of the ex-member of the Forces be deprived of a fair living simply because, through the mother's election, her pension ceased, and through her misfortune, and not through her fault, the bread winner she had taken unto herself was taken away from her. It seems to me in that case the pension should be restored, because if it is not done, adequate maintenance will not be given to the woman and children, if the woman is deprived of her pension.

Mr. NESBITT: The children get a pension.

Mr. NICKLE: Yes, but not enough to maintain them. You recognize in the original case that the woman's pension, plus the children's pension, is an adequate amount, but when she re-marries we discontinue her pension, and the widow, after

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losing her second husband, and children are thrown back on the children's pension, which is not sufficient. It is admitted in the first case, that the widow's pension added to the children's pension is sufficient to maintain the family. My contention is that if the man dies, the pension should be restored so that the widow and her children can be maintained.

Mr. DOUGLAS: Are there many of these cases?

Mr. NICKLE: Not very many, but there are some. I have endeavoured to get the same principle established by the Patriotic Fund in reference to our post discharge work, but I have never been sufficiently persuasive to carry my Committee with me.

Then there is the case of the slow developing diseases, where men are discharged apparently cured and then, eighteen months afterward, break down. Before they entered the army they were strong and rugged, their hereditary history was good, and within a restricted time rheumatism, arthritis, or tuberculosis developed, and the man often goes into decline, and sometimes passes away. It is true that an arbitrary period of one year has been agreed upon in reference to tuberculous cases. I am not sure that any period has been determined in reference to rheumatism or arthritis. I bring the matter to the attention of the Committee because the cases of this class of men are impressed upon us directly, and we bring them to you. I do not know that there is anything more that I can wisely mention. Anything that I have said—and I have endeavoured to speak succinctly—has not been in the way of idle criticism. I realize the difficulties the Pension Commissioners have, and I think they realize the difficulties of the Patriotic Fund. We are trying to work together in harmony, to co-ordinate a scheme that will rebound to the general advantage of the community at large; but as the administrators of a fund that must necessarily terminate more or less in the near future, because we are spending now between a million and a quarter, and a million and a half a year, and our available balance to-day is somewhere in the neighbourhood of six million dollars, and as we are having a large number of continuing cases that must run on for a protracted period, these emergency cases must be stricken from our activity, and every dollar that can be saved to-day by the country assuming the responsibility we have hitherto undertaken, makes one more dollar available to relieve one more case of distress that your Commission or its successors does not believe should come within the scope of governmental activity. Let me assure you if there is any question you desire to ask in reference to the work of the Canadian Patriotic Fund, I shall be only too glad to answer it.

Mr. NESBITT: What do you call continuing cases?

Mr. NICKLE: Assuming a man, an ex-member of the Forces, is discharged fit, and dies, we take on the widow and family, and give them the same allowance that the country is giving to men who were killed in the war. That is a continuing case because, as long as the woman is a widow, and the children are not of age, assistance will be given.

Mr. NESBITT: I am speaking offhand, but it struck me when you spoke about continuing cases, it would be better if we could adopt some other means of taking care of continuing cases. It just struck me it would be better if you could be relieved of the continuing cases in any reasonable way, and keep your fund for the emergency cases that cannot be dealt with otherwise.

The CHAIRMAN: A continuing case is likewise outside our government relief. That is the difficulty.

Mr. NICKLE: Absolutely.

Mr. NESBITT: I was suggesting we might consider it from that standpoint because I realize the Patriotic Fund will sometime play out, but I realize also that they come in for many emergency cases that we cannot possibly provide for.

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Mr. NICKLE: The Patriotic Fund, in the development of its post discharge work, being much more elastic than the work of the Board of Pension Commissioners, always adjusted ourselves to the situation. If we found a class of case that impressed us as being urgent, we took it up and administered relief, pending the situation being met. There is one thing we have never taken up. We have never taken up unemployment as entitling people to relief. Unemployment has never been within the scope of our work, because if it were, our money would have been all exhausted long ago.

Mr. EDWARDS: Is there any prospect of relief for your fund in the operation of the Mothers' Pension Act?

Mr. NICKLE: The Mothers' Pension Acts are in force, if I understand correctly, in four or five provinces. During the last year I took up the matter with the Mothers' Pensions Allowance Commission of Ontario, and they agreed to take on as their charge all cases that fell within the scope of their regulations, permitting us to supplement the grants made to the mothers that they took on by such an amount as would make a total amount to that family the allowance we gave to other families. But in British Columbia no definite conclusion as to policy has been reached. In some cases they are taking it on and in some cases they are not. In the western provinces the same conditions prevail. That is one of the problems that has to come before the executive of our fund to-morrow for consideration, and just what conclusion they will reach I cannot say definitely.

Mr. EDWARDS: Take Ontario.

Mr. NICKLE: In Ontario we are saving, the executive secretary says, twenty-five thousand per year as the result of the Mothers' Allowance.

Mr. DOUGLAS: How many provinces have adopted the Mothers' Pension Fund?

Mr. NICKLE: I understand Alberta, Saskatchewan, Manitoba, British Columbia, and Ontario.

Hon. Mr. BÉLAND: You have referred in your remarks to the question of commutation, and you have cited cases where men have availed themselves of the provisions of the law in regard to commutation, and where they were dissatisfied or were in a distressed condition. Have you any recommendation to make, either in regard to removing the provision in the law, or amending it in some way?

Mr. NICKLE: I find a great deal of difficulty between my principles in regard to commutation, and what my own conduct might be if I were the pensioner. I believe that if a man were given a pension he should have no means of commuting it, and should be compelled to take it as long as he lived. The case I directed your attention to was a man who drew \$600 and invested in a moving-picture house, which ran on for a few months, and became hopelessly bankrupt. The woman wrote me that she had two or three children, and the family was in most destitute circumstances, and she felt that the country should aid her.

Mr. DOUGLAS: At the same time she probably knew of the application for commutation?

Mr. NICKLE: Yes, I am only giving the circumstances. If I were drawing a pension of \$20 a month, and had no work, and had a wife and three children, and they were starving, and somebody says "There is \$500 if you will sign off your pension" I think I would take the \$500 and trust that something would turn up as I went round the corner, but if you were to ask me my advice I would say "do not let them take it."

Mr. CALDWELL: They are bound to come back?

Mr. NICKLE: In my judgment.

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Mr. CALDWELL: If they come back they do not get any pay and allowance, do they.

Mr. NICKLE: If they come back into the hospital they do not get the pay and allowance on account of having received that commutation.

Mr. CALDWELL: That is according to regulations.

The CHAIRMAN: But they do not exact it. Would you care to express an opinion as to the rate of pension, taking a 100 per cent disabled man as a basis as paid from the 1st of December? I might say I have a letter here from Miss Reid, who, of course, is expressing her own opinion, but she gave us very valuable evidence last year, and she says:—

“With regard to the rate of pensions paid since last September. We feel that the present rate is adequate, except for such emergencies as death, long chronic illness, fire, etc.”

And then she goes on to speak of the rate paid for children who are placed out,—I take it she means orphan children,—and she speaks of the effective system of account keeping for the families receiving permanent allowances from the Patriotic Fund, forms of which she has sent us. She says that they find by very careful supervision that the foster parent, if you can so describe him, is able to get along and is in fact not only able to get along, but to lay by a little.

Mr. NICKLE: Subsequent to your request that the Patriotic Fund should furnish you with that information if it had it, a meeting of the Advisory Committee was called, and questionnaires were sent to our various branches, and one of the points raised was as to the adequacy of the present allowance in 100 per cent disability grants, and the Committee in its meeting, as the result of this experience, the experience of its members, and in compliance with the replies to the questionnaire, found, as Mr. Morris presented to you when he was here the following:

“It is found that the allowances which are now being paid by the Fund and which are at the same rate as the Federal Pensions are adequate except in cases in which protracted illnesses or operations cause unusual expense. In some of such cases the Fund finds it necessary to give supplementary assistance. The Parliamentary Committee might be prepared to consider providing free medical attention to pensioners in cases of serious or extended illness.”

That is at page 473 of the report of the proceedings. We pay in our benevolence the same money as the Government paid as pension.

The CHAIRMAN: Then, to lead up to a further question. Mr. Morris has already told us, as you know of course, that 100 per cent pension is the basis, and mathematically everything is graded from that point down, and as I understood your earlier remarks, you found difficulty in two cases of the men who are disabled from 75 per cent up, and the men who got a low pension. Now can we devise any method, without disturbing the maximum 100 per cent rate, to cure the difficulties that have arisen in the lower register?

Mr. NICKLE: Perhaps I might express it in this way; the rate is all right, but the rating of disability is too low as applied to the industrial conditions that prevail in the country to-day.

The CHAIRMAN: Then I understand you do not favour any enlargement of the statutory powers of the Patriotic Fund, but you rather suggest that this Committee might consider recommending the disposal of the Canteen Funds, that the Red Cross might be appointed as trustees, or might be given some power of disposition

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over those funds, so as to relieve cases that you cannot handle. Is that putting it fairly?

Mr. NICKLE: The work of the Patriotic Fund is economic. We benefit in that we give grants. The grant is to enable people to live. We have no nursing or general domestic administrative staff. I have no authority to speak for the Red Cross but as I understand their work they help by giving assistance for those in sickness. The unmarried man needs help because he is ill. I am not dealing with the problem of employment at all. I am dealing with the problem of sickness in the family of the ex-member of the forces, or in the case of the unmarried man, the ex-member of the Force himself. When the sickness is in the home of the ex-member of the forces, if married, and with dependents, we are looking after that work, but nobody is looking after the unmarried man if he is sick. He is crawling around as best he can. I can give you a case of a man who came back from the war, was home six months, perfectly well before he went overseas, only got to England, had some pain in his knees when he was there; came back here, said he was all right, although his leg was troubling him a little, got his discharge, and broke down with acute arthritis and now that man is crawling on his hands and knees, 100 per cent disabled for life, nobody to look after him, and no place to go.

Mr. DOUGLAS: Why?

Mr. NICKLE: He did not get a pension.

Mr. DOUGLAS: He can be treated by the D.S.C.R.

Mr. NICKLE: But no allowance coming to him. I am not suggesting the position taken is not sound from a medical point of view, and I am not suggesting it should be criticised. They say it was not chronic arthritis. They say it was acute, and therefore it does not fall on the country.

Mr. EDWARDS: That is, it has no relation to war service?

Mr. NICKLE: Yes. He said "I had pains in my legs and knees over there, I made no complaint but stuck it out." The war ended. He wrote a letter to his mother complaining of that but she unfortunately tore up all his letters, therefore I am quite unable to prove anything from his medical sheets, or any communication from the time he was in the army to show that he suffered at all, and the Pension Commissioners took the position that under the circumstances it is a civil and not a military responsibility.

Mr. COOPER: What was the man's employment in the army?

Mr. NICKLE: Just the ordinary infantry man.

Mr. COOPER: If he did not get any further than England, and went over an able-bodied man, there must be something on his medical history sheet to show the reason?

Mr. NICKLE: Well, he was drafted, and went over, and the war ended. He never went to France.

Mr. NESBITT: The Red Cross will take care of him, will they not?

Mr. NICKLE: No, theirs is a particular work dealing with the health of the people.

Mr. NESBITT: In all local places a man in that condition is put in the local hospital.

Mr. NICKLE: The head of the Provincial Red Cross has very kindly come to Ottawa to-day to discuss with us the possible co-ordination in our work, to give the maximum of our assistance.

The CHAIRMAN: You spoke of the position of a woman who lost her husband, and re-married, and had lost her pension by re-marrying. Do you know what the British practice is in regard to that?

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Mr. NICKLE: No, I do not. I know what the American practice is. I know they give her one chance at least.

The CHAIRMAN: There was a memorandum from the British office which stated that their pension fund was being more largely relieved by the marriage of widows than by any other cause. There was a large number of cases of widows who had married, and gone off the fund.

Mr. SCAMMELL: Thousands.

The CHAIRMAN: Can they come back on the fund again?

Mr. SCAMMELL: I do not know.

Col. MARGESON: I will find that out.

Mr. NICKLE: Colonel Margeson takes the opposite view to mine on this question.

Mr. ARTHURS: Have you had any cases where the children were suffering by the subsequent death of the second husband through the inadequacy of the pension, or has your experience been that these children receive orphan rates upon the re-marriage of the mother?

Mr. NICKLE: I do not know that I can state that I have in mind any particular case just as you put it, but I have had my attention directed to several cases where, through the marriage of the mother, and the ceasing of the pension, the children are suffering vitally.

Mr. ARTHURS: I asked that question of Colonel Thompson regarding a particular case which was brought to my attention. I did not give the special cases to the Committee, as it was not necessary in view of Colonel Thompson's answer. His answer was that to the best of his knowledge the children automatically received orphan rates on the second marriage. This case has gone on, and I now have a letter from the Pension Department refusing the children orphan rates, in the discretion of the Commission, as they are now in charge of their mother. If they were not under the charge of the mother, they would grant orphan rates. It seemed to me a most unreasonable position to take, when a mother is trying to take care of them. They are cut off \$27 a month, whereas if they were in charge of a foster parent they would receive the full amount.

Col. MARGESON: If they are in care of the mother after she has re-married, and the second husband dies, the Commissioners have the discretion to pay the orphan rates, if they are living with the mother, as long as she is not receiving the pension.

The CHAIRMAN: She could not receive the pension.

Mr. ARTHURS: Why do you exercise that power in one case and not in another?

Col. MARGESON: It all depends. The second husband whom she married may have left a lot of money, and it may not be necessary.

Mr. ARTHURS: This woman is absolutely destitute?

Col. MARGESON: Has the department knowledge of it?

Mr. ARTHURS: I think so.

Col. MARGESON: I would like to go over the file and look it up.

Mr. NICKLE: The country is saving a lot of money by the marriage of the war widow, and why should not the country disburse a portion of that money to assist the woman and children where she has the misfortune to be deprived of the second husband by death?

Mr. NESBITT: You think the country should encourage the re-marriage of women who have children and have them brutally treated after re-marriage?

Mr. NICKLE: I do not know about that problem.

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The CHAIRMAN: You spoke of rehabilitation, and I did not gather that you suggested any remedy, save the general one of preference in employment, which of course is one directed to society at large, and perhaps not to any Governmental agency.

Mr. NICKLE: What I suggested was, and I was very indefinite about it, because I had not been able to work it out to my own satisfaction—if the Pension Commissioners were satisfied that a man was discharged fit, and that through service, it is impossible to rehabilitate himself, why would he not be just as much entitled to recognition as if his legs had been shot off?

Mr. NESBITT: How are they going to arrive at the fact as to whether it is possible to rehabilitate himself?

Mr. NICKLE: Each of these cases must be considered on their merit. I cannot lay down any rule at all. I cannot begin to. It is one of the most difficult problems to deal with. Premature senility and rehabilitation are two problems you are going to have for many years. I cannot solve it.

The CHAIRMAN: Now we will take up the pension matter.

Major BURGESS: Mr. Nickle referred to senility or the "old man" problem. We quite appreciate Mr. Nickle's remarks. This is a problem which has been before us for some time, and is receiving the most careful attention. A document has been prepared on the subject, and this is being submitted to various medical men throughout the country for their criticism of it. It has not arrived at the stage yet where it has been put into operation, but I want to point out that it is a subject that is receiving very great attention.

Mr. NESBITT: You mean receiving attention through the Pension Board.

Major BURGESS: Yes, for some time. Mr. Nickle next spoke about the disability appearing at post discharge. This was another subject about which there has been a great deal of thought, and there has been post discharge disability with practically every known disease and there has been a certain time limit. He spoke about cases of disability over 75 per cent, and I think he cited the case of a gentleman who was receiving 90 per cent, but if I don't mistake, I think Mr. Nickle gave the particulars to the Commission about that.

Mr. NICKLE: No.

Major BURGESS: There was a case similar to that brought before the Board, and all the cases of multiple disability where the man was receiving 85, 90 or 95 per cent are being reviewed. It is not considered there is much difference between 95 and 100 per cent disability.

Mr. NICKLE: Is it not academical rather than practical?

Major BURGESS: It is academical, I think, and it is being adjusted at the present time. Then the subject of rating for low disability men and their consequent disability at the present time because of economic problems: of course this is a matter which does not affect the rating of a man's disability. It is a matter of economic difficulty at the present time. The rating of disability would be the same in good conditions as it would be in poor—

The CHAIRMAN: I do not know that I agree with you. I think in normal times we must recognize that your basis, if I understand it aright, reached largely under award of the Workmen's Compensation Board, does not take proper cognizance of the fact that the incursion of the labour market, such as a great quantity of labour men being available, would upset their basis.

Major BURGESS: Remember that the basis is not only the Workmen's Compensation Board. As a matter of fact there are only two Workmen's Compensation Boards that have been used; that is the state of California and the province of Ontario. These

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have only been used for basic purposes, but it was also worked on with a committee of medical men, and if the disability is stated to be 50 per cent, the matter of money is not a matter which is for the Pension Board. If the disability is 50 per cent I do not see how economic conditions would change that. True enough a time may come when the money he gets is not sufficient, but that does not affect the extent of the man's disability.

Mr. NICKLE: Should not the disability be measured with the particular individual in relation to his condition?

Major BURGESS: In the first place a man receives a pension because he is injured, and his disability is measured by his restriction in occupation, or his difficulty in earning a living, in the open labour market.

Mr. NICKLE: Therefore the labour market is flooded with disabled men.

The CHAIRMAN: I think your formula should be 50 plus X, and X is varying, and does depend.

Major BURGESS: That would be a matter for Parliament to decide on a fluctuating scale.

Mr. DOUGLAS: And Parliament did decide it.

Mr. NESBITT: As a matter of fact a man is 50 per cent disabled from doing work. You have no right to say whether that 50 per cent in the present labour market will make a living for him or not.

Mr. NICKLE: It is for this Committee to say whether they will increase the rate.

Major BURGESS: And to amplify that point, we get quite a number of complaints, from a man who states "I am getting 50 per cent pension, but at the present time I am not able to work." We endeavour to institute an investigation into that case to find out why he cannot get work, whether there is some added condition there that prevents him carrying on what he did carry on, or whether he was let out because his employer shut down business. I think we are trying to meet the conditions in so far as the Act permits us.

Mr. Nickle cited the case of Mr. Dempsey. It is very difficult to discuss the case without the file. I would assume the difficulty in that case was connecting the man's mental condition with his service disability, which I understand was inflammation of the heart. I presume that would be difficult to ascertain. I understand that man would be entitled to treatment, but not to allowance.

Mr. NESBITT: I think we had that case up before, and it was a true case of desertion, as far as we could find out.

Mr. CALDWELL: He was not in a normal mental state. He was under escort, and I think that shifts the responsibility very materially.

The CHAIRMAN: To go back to the theory that 50 per cent disability results in the prevention of a man getting employment in the labour market today or tomorrow, I think this Committee has got to have record of it.

Major BURGESS: If a man cannot follow a gainful occupation he is 100 per cent disabled. With regard to giving the benefit of the doubt to the man, I think I am perfectly safe in saying that that principle is carried out to the greatest possible degree. Mr. Nickle brought up the case of a man who had no teeth. That case does come under that scale. He certainly has a disability, and his disability might be described as requiring a special diet. If a man has a proper fitting denture and can chew any ordinary food, he has no disability, but if he cannot get a proper denture of course it is very serious. I would like Dr. Rawlings to speak on this post discharge question.

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Dr. H. A. RAWLINGS: Mr. Nickle brought up a question that has been causing us a great deal of trouble and has had consideration since 1917. That is disability which arises post discharge. Sickness and disease is common to all men. It is common to men who were in the service as well as those who never saw it. Nearly all men who have had sickness after their discharge, attempt to prove or show that their sickness is due to service. If that sickness occurred within a week of discharge, it is reasonable to believe that service had been a factor; if it had occurred in a month, very likely; if in a year, possibly; if in ten years, very possibly not. In 1918 some of us, under the direction of Colonel Belton, prepared a table for the post discharge disability men, taking all diseases we could find in various standard text books, and allocating, after careful consideration of the subject, different time limits to different diseases. For tuberculosis the time limit, after consultation with experts was set at one year. For rheumatic fever, pneumonia, and several other acute infections, provided they develop them within three months of the discharge or the service, attributability is admitted. It was admitted that although such a man may not have been disabled on service by any disease or wound, yet the fact that he was living under abnormal circumstances and environments, of which we were possibly in more or less ignorance, might have been operative to produce lowered resistance and thus predispose him to the disease after discharge. On that basis, although it is not official, we have worked since that time. Within the last year, we have sent a copy of this, with a resumé of our ideas on this subject, to the various authorities and various specialists throughout Canada. It is surprising to find that two men of equal eminence will arrive at exactly opposite conclusions. However, we have been able to arrive at a very satisfactory conclusion with regard to one condition, an acute heart condition, which apparently does not develop after discharge for many months. We placed the time limit after much consideration, at two years, provided the man had a reasonable service, and had to undergo reasonable hardships and exposure on that service. That is to say, if he was discharged fit, and had no disability on service, or minor disability, or minor disability from which he had recovered at the time of discharge; then within two years develops this disease or disability, he would be pensioned, unless it can be shown that post discharge conditions presumably were more likely to produce disease than service. It is interesting to note that after we arrived at this decision we received a copy of the conclusions of the Imperial authorities of Great Britain, and they also set the time limit at two years, reaching this conclusion independently. Since illness is common to all men, the difficulty lies in this fact: is an illness which occurs post discharge related to service or is it not? If it is related to service it is pensionable. If in a certain disease there is an incidence of 100 per hundred thousand among the civilian male population at age thirty, and if the incidence among a similar number of returned men of the same age is but 25, it is reasonable to believe that not only has service not predisposed him to that condition, but has actually produced a degree of immunity against that disease. I am not prepared to state what diseases a man is predisposed to on account of service, but from my experience, watching the cases and reading the statistics very carefully, I feel convinced that there is a doubt whether service in all diseases does predispose to all diseases post discharge, or whether in many cases there is a lesser predisposition. In England, they allow six months after discharge for tuberculosis to show the positive sputum. In Canada, we accept a man if he shows active tuberculosis without positive sputum up to one year, if it is discovered in one year. But if, from an examination of the report of the specialist, and from the report of the physician it is reasonable to suppose that that process was there one year, he is still allowed pension. Also, in tuberculosis, the time limit of one year does not apply to men who had developed such condition on service as to predispose to that disease. If a man had a suppurating wound during his service, and this wound is continually

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breaking down after discharge, should the debility resulting therefrom activate tuberculosis, the man is automatically pensioned, so that there has been a misconception regarding that.

The CHAIRMAN: How about the United States?

Dr. RAWLINGS: I do not know that they admit any responsibility for tuberculosis occurring post discharge.

The Committee resolved itself into executive session.

HOUSE OF COMMONS.

COMMITTEE ROOM No. 435,

MONDAY, May 9, 1921.

The Special Committee appointed to consider questions relating to Pensions Insurance and the Re-establishment of Returned Soldiers, met at 11 a.m., the Chairman, Mr. Cronyn, presiding.

Other members present:—Messrs. Brien, Cooper, Copp, Douglas (Strathcona), Green, MacNutt, Morphy, Nesbitt, Redman, Savard, Turgeon and White (Victoria)
—13.

By the Chairman:

Q. Mr. MacNeil, you have a petition to present to the Committee?

Mr. MACNEIL: I have a petition on behalf of the delegates representing unemployed ex-service men of the city of Toronto. Mr. Conroy, who is secretary of the York County District Command of our association, is present, also Mr. Preston and Mr. J. Burns. These gentlemen are representing unemployed returned soldiers, not representing any particular organization, but delegated to present the situation of the unemployed by a mass meeting held in the city of Toronto on Saturday night.

The CHAIRMAN: Is it the desire of the Committee that these gentlemen be sworn, or are they just making a statement for us to hear? Do you wish to simply make a statement, or to be heard as witnesses?

Mr. J. V. CONROY, called, and examined.

WITNESS: I am Secretary of the Great War Veterans of the Toronto district, Mr. Chairman, first of all, please allow me the privilege of apologizing for the delay in coming here, which was entirely unavoidable on account of the fact that the Hon. Minister of Labour detained us much longer than what we anticipated in presenting our case to him, and we trust that our representations to you will be as brief as possible, and not detain you any longer than we can possibly help. The situation in Toronto is of such character that notwithstanding the fact that we have made every effort to meet the situation both by expending the funds of the organization, and also the municipality, in meeting distress, that we are still in a very precarious position. On Saturday a large number of ex-service men who are unemployed and particularly those who were in receipt of relief through the Department of Soldiers' Civil Re-establishment congregated outside the D.S.C.R. building on Spadina avenue. Their object was to bring to the attention of the authorities their

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condition, and particularly whilst Mr. Parkinson, the Deputy Minister for the D.S.C.R., was in Toronto, so that the Government might be cognizant of the condition which is prevalent to-day. I might say that the situation is so bad that only last week the officer in charge of the Ontario Employment Bureau gave his official figures that there were 17,227 men registered out of employment at that time.

By the Chairman:

Q. What date was that, Mr. Conroy?—A. One day last week. I could not say the actual date.

Q. Were they all returned soldiers?—A. No, sir. I was just coming to that presently. It was also estimated that there are in the neighbourhood of between three and four thousand who are not registered. That will make a total of between 21,000 and 22,000 unemployed in the city. Out of that it is estimated there are between 10,000 and 12,000 ex-service men. A large number of those men are disability cases. They are not 100 per cent efficient in production and in consequence of that they are seriously handicapped. The employer to-day is not a philanthropic institution. He has to have, and will try and get 100 per cent of production for the money he pays out.

By Mr. Morphy:

Q. 150 per cent?—A. No, 100 per cent. Now, the men who had been getting relief through the Department of Soldiers' Civil Re-establishment are disability cases, and in virtue of the large number who are out of employment to-day, able-bodied men, we realize they cannot be absorbed into employment. Many of them have been discharged from hospital, undergoing treatment. Any of them who may have been fortunate enough in getting temporary employment are the last taken on, and as a consequence they are the first struck off. Their pay while they were serving overseas, that is the ordinary \$1.10 a day in the case of a private, plus allowance, was not of sufficient character to admit of them putting anything aside for a rainy day, and in consequence they have started into civil life with rather a serious handicap. The majority of those who received the gratuity depended on that gratuity and as a matter of fact spent it for the necessities of life during the period of unemployment, much against their will. Unfortunately in Toronto we had a Red element, and this Red element, whilst it might not appear to the Government at Ottawa to be of any considerable character, we, in Toronto, believe it to be a very considerable faction and of a very serious character. Now I am pleased to say that the G.W.V.A., together with other organizations, have done everything in their power in order to keep our men away from this Red element. Our men are loyal; they are as loyal to-day as they were the day when they went "over the top" over in France, but many of them are hungry; many of their wives and children are on the verge of starvation. I had a deputation of unemployed only the day before yesterday, two of them told me that for their breakfast they had to tighten their belts up two holes and drink water in order to leave the wives and children with a bit of dry toast. That is a position they scarcely anticipated on their return to Canada.

By Mr. Nesbitt:

Q. Were they disabled men?—A. Yes, they are suffering from minor disabilities, and in consequence of disability they are not 100 per cent efficient in production; because of that the employer cannot employ them where there are 100 per cent efficient men available, and there are practically 17,000 men efficient in the market to-day who cannot get employment.

By Mr. Morphy:

Q. These two particular cases you spoke of, were they drawing any particular allowance from the D.S.C.R.?—A. They had been, but they are no longer, when it

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was closed down on April 23, and in one case prior to that, the man did not apply since the end of March because there was some mention made that the relief would be discontinued then.

By the Chairman:

Q. What do you say as to relief at the present moment? Is there any relief being given out now?—A. Not that I am aware of. There may be some exceptional cases, but it is not generally known.

Q. How much a month do they get?—A. That is in proportion to the pension they were drawing. I cannot say as to the amount, which it is brought up to, but it has been given out in groceries and so forth.

Q. These two particular cases, are they drawing pensions?—A. One is, and he is in receipt of a pension, to the amount of 20 per cent disability; the other is not in receipt of a pension. He was cut off from pension, and we have submitted him for re-examination in order that if he is so far disabled he should be reinstated on pension; and I anticipate he will be. I might say that these men are not anxious for, nor are they willing to accept charity. What they are anxious for, is that the Government should do everything in its power to open up work. They are anxious for work. Take my county organization, I have a man who went overseas as a private, rose to rank of captain, and won the Military Cross. I am not at liberty to mention his name because I have been asked not to do so. He was a certified chartered accountant. He gave up a good position before going overseas and he was willing to take up any job at all. The only job I could succeed in getting him was out at Long Branch—a pick-and-shovel job—and although he had no working clothes, he was willing to go in his office clothes and he did work as a matter of fact for three weeks, until I was able to get him another position. Those are examples of particular cases. We made representations to His Worship the Mayor and the members of the Board of Control in the city of Toronto, who recognize the seriousness of the situation, and they, together with the Federal and Provincial Governments did meet to a certain extent the exigencies for relief. That, of course, has been cut off.

Q. Did they provide any work as well?—A. Yes, where it was possible. I must say the Parks Department, in fact, did more than we had anticipated although we did urge they might still continue to provide work, even if it might be of a superfluous character rather than give up relief so the men should retain their self-respect. We believe, in having work, the men would retain their self-respect infinitely better than by doling out charity where they are likely to get into a slipshod way and lose their self-respect. We had an audience with the Prime Minister and the Cabinet of the Provincial Government. They recognize and realize the seriousness of the position as it applies to ex-service men who had no opportunity of setting aside anything for a rainy day. In Toronto, the situation is accentuated by the fact that many men, because of the shortage of housing which exists there, were forced into the purchase of their houses in order that they might retain their tenancy; many of those men contracted obligations which they are not in position to carry out. Now they are in the unhappy position that they are likely to lose all the moneys they have put in because of foreclosure of their mortgages and interest due. I am taking the liberty of stating that we have many men who proved their loyalty overseas and on their return by taking allotments of Victory Bonds—those who had accumulated any money, invested it in their bonds with the eventual hope of purchasing their little homes. When they came to realize on these bonds they lost probably three or four or probably a greater per cent on that investment, and they regard that as really a matter wherein the Government should have assumed some obligation in order that they should not have suffered any loss. I cite my own case as an example. I don't like doing so, but my own two sons went overseas in 1914 with the First Division. I

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myself followed later on, and prior to going overseas, between us we were able, as a result of good management at home, and as a result of denying ourselves some luxuries which other people may have indulged in, to accumulate two thousand dollars. Whilst I was overseas Mrs. Conroy invested that in Victory Bonds, fully anticipating that in the event of our having to realize upon them we should at least get back 100 per cent of what we paid in for them. When we were driven out of our house that we were renting we had to purchase. The consequence was that the market value of those bonds had depreciated by four per cent and my two thousand dollars was only worth \$1,920, and naturally after having given our services we felt that the Government—they cannot be exactly held responsible, yet we have suffered a loss to which we are not entitled. I am simply quoting my own case as an example, but there are many other cases of a similar character. The Ontario Government tells us it is the Federal Government. Now I would like to point out that as the men have lost their employment in the service of the Dominion Government it might be an obligation to look after these men as far as possible, and, if they are not able to get any employment, at least to keep them from starvation. We have so far been successful in keeping the men away from the Red element. We had anticipated trouble. The Chief of Police in Toronto is in constant touch with me and I with him, anticipating there was a likelihood of trouble in the city, and I sent around the following letter to all our local secretaries, of which there are twenty-two branches in the city:

THE GREAT WAR VETERANS' ASSOCIATION

Toronto District Command Branch

Toronto, April 26, 1921.

Dear Sir:—

Unusual unrest is being exhibited in some quarters in Toronto, which may be a forerunner to undesirable demonstrations being held, endangering life and property in the city, and the blame shifted on to the "returned soldier," which would hamper our progress in having preference extended to ex-service men in the matter of employment by virtue of his loss of seniority whilst serving overseas.

The President and executive members, after being consulted, have suggested that branch secretaries get in touch with their respective members, and advise them to keep away from crowds and demonstrations which may result in some conflict with the authorities in the maintenance of law and order, and live up to the ideals each of them fought for overseas and the preservation of constitutional law, and lend every assistance to the authorities in the protection of life and property.

Will you, therefore, be good enough to advise all your members, and believe me,

Yours fraternally,

(Sgd.) J. V. Conroy,

Secretary, G.W.V.A. (Toronto Branch).

Now that we had circularized to the several members of the branches and I believe, sir, that you will give us credit, at all events, for doing all in our power to keep our members away from this Red element which are making themselves so prominent at the present time, and there is no question but that they are a menace to the people.

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By Mr. Morphy:

Q. Just let me ask a question please? You spoke of the Red element?—A. Yes.

Q. Can you define it as being constituted of foreigners?—A. A very large proportion of them are.

Q. What nationality?—A. There are Russians and Poles; there are Bulgarians; there are even, I believe, quite a number of Austrians.

Q. Are they banded together in social clubs or organizations?—A. That I cannot say. We have unfortunately, Canadians who are also leaders in this Red propaganda. I might mention Mr. James Simpson, who no doubt is pretty well known all round. We don't mind Mr. James Simpson and Mr. Macdonald so much, because they get the gas off their chests and we know where they are and we can keep our eye on them; but it is the others who are going around, passing around propaganda. Mr. Preston will show you a leaflet printed in red, which was being distributed all around Toronto to ex-service men, with the hope that they would be able to get, when they are in a most dissatisfied frame of mind, men recruited into their ranks, recognizing that those men who are accustomed to fight would remain with them,—not with them, because they won't be in the fight if there is to be any fight; they will make the bullets for other people to use; but they recognize the importance of these men, and they openly preach sovietism and all that kind of thing. In fact, last January at Queen's park it was intended to hold a large demonstration up there with the hope of having a number of men who were employed to carry the red flag and march down from there and take possession of the Parliament buildings, and take possession of the city hall. It was due entirely to my representations as a member and an official of the Great War Veterans' Association that that was nipped in the bud. I told them the members of the executive committee of the G.W.V.A. would not recognize anything of the kind, that they would maintain constitutional government and that if they attempted any such demonstration they would have us to reckon with. I also got in touch with the chief of police and informed him of this, and assured him he would have our association's assistance in the preservation of law and order.

By Mr. Nesbitt:

Q. These foreigners are not returned soldiers?—A. I understand not.

The CHAIRMAN: It is five minutes to one; I don't want to cut this short, but we have these other men to address us.

By Mr. Nesbitt:

Q. Mr. Conroy suggests work. What sort of work would you suggest the Dominion Government could carry on?—A. For example, in Toronto there is a viaduct. There appears to be some contention as to who are the parties who are to blame for not carrying on the work. That I am not interested in. But the fact remains there is that work to be done, and might be done, and particularly at this period when it would absorb a number of men. There is the Custom House that looks like a place in France that had been bombarded. It is not being rebuilt.

Q. Would that help in that class of labour?—A. It will help; it will start circulating money; it will get the machinery to work, the industrial machine started.

Q. The difficulty about this class of labour is that they have struck all over the country for higher wages, have they not?—A. I don't know about that. Then again the housing situation is bad in Toronto. If anything could be done by the Federal Government there by way of subsidies that they might build their homes, it would answer in two ways,—one helping the man who could not help himself, and the other in helping the industries to be re-established.

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By Mr. Douglas:

Q. Have these men who are unemployed had any offers of work in the country or in the rural districts?—A. The Ontario Government stated that there were considerable numbers of farm men wanted. I at once challenged that statement and stated if they would be good enough to let us have the number of men required we would furnish them with those men in twenty-four hours, and we are willing to do that now. I understand the western farmers are in need of men, but our men are not in the happy position to afford their train fare when it would cost \$16 or \$17, when they have not got 16 or 17 cents.

By Mr. Nesbitt:

Q. Supposing we pay their fare out there?—A. I have every confidence you will get the complement of men you require.

By Mr. Cooper:

Q. What are you going to do for the men who are out there who are unemployed? We have our own situation in Vancouver?—A. I was given to understand that there is an application in, that in the event of labour not being admitted, they might import labour from the United States. It would be a calamity; it would be a disgrace to Canada to import labour from the United States when we have our own men unemployed in several cities, and I feel confident the Government would not tolerate that condition. Married men cannot go out there who are living in the cities. The cost of living is so high in the cities. You cannot get a flat, even an ordinary flat, under about \$30 or \$35; a house from \$45 to \$60 a month, and so proportionately the cost of living is high, and in consequence of that these men could not go out on the farm because it would be practically themselves they would have to keep as well as their wives and children back here.

By Mr. Nesbitt:

Q. Suppose they have positions where they can get houses on the farm?—A. There is the removing of their household effects. There is no doubt they will find sufficient numbers that will be glad to go.

Q. The reason why I ask that is that I came down with a farmer last night who told me he had asked a young man of sixteen, a boy you would call him on the farm, to go, and he asked him what he wanted. He said, \$70 a month and his board. Well, the farmers won't pay that or anything approaching it.—A. I might say that the Committee on Saturday requested us to take a message back that, in the event of the Government not being able to furnish them with work they might at least provide them with some measure of relief to re-establish D.S.C.R. measures. I would suggest that it be established, but not, as it was previously. They have back debts to meet, and a man requires a clean collar or a new collar. He requires to have his hair cut. If a man presents himself to an employer in an unkempt condition he will stand no chance of a job. But give that man the equivalent in cash of what he was given in groceries, and in that way it will probably assist the administration of the D.S.C.R. and its fund, and at the same time it will assist them better.

By Mr. Redman:

Q. Are you speaking of married men?—A. The men who are not able to get work, and they go particularly to the Labour Bureau and get re-established back on Army Pay Allowance until such time as they can be absorbed in regular employment. In the event of a man who is capable of filling a position, declining to take it, cut off his relief at once. But if these men are allowed to go about in the unhappy condition they are in at the present time, I am afraid Toronto may prove the centre

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of a conflagration which may spread throughout the Dominion. Mr. MacNeil and myself have been charged, because of preaching moderation and constitutional government, with being in the pay of the Government. As a matter of fact we have been sent to hell many times. Fortunately, we are in it every day so therefore we don't need to go any further to get in; but we have been acting as a buffer between good government,—constitutional government—and this Red element. We have been a safety valve. I don't wish to claim any more credit, not as much even as is due to us, but I believe you gentlemen can get the information even outside of what I can give you, that we have been acting as a buffer between this undesirable element and the Government. There is a danger, gentlemen, that some of these men, because of the dissatisfied frame of mind they are in, may be induced, against their will, to join the Red element and it will be a sorrowful day when these men, who gave their services loyally to the Dominion and to the Empire, are led astray. We have been asked to take a message back to those people and I sincerely hope the Committee may grant us some assurance in order that we can still keep those boys in check that they may conduct themselves as they should do.

The CHAIRMAN: You stated that there was an estimate of about 50 per cent of unemployed, registered and unregistered. Were they ex-service men?

WITNESS Yes.

Q. How did you reach that estimate?—A. Captain Meath gave us the figures at a meeting just over a week ago.

Q. It was an estimate on his part?—A. Yes.

Q. And he estimated it was about 50 per cent?—A. Between 10,000 and 11,000.

Q. Is there any estimate at all as to how many of those are disabled men?—

A. None. Excepting from the D.S.C.R. I have no doubt the D.S.C.R. can furnish that detail. I believe there are between two thousand and three thousand.

Q. Are there any estimates as to how many are married and how many single?—

A. I have not that data, but I should say fully 70 per cent are married; there are some who are unmarried and have dependents, such as a widowed mother, or an invalid father.

The CHAIRMAN: I thank you very much.

By Mr. MacNutt:

Q. Do you think Mr. Flynn's organization is in sympathy with the Red element?

—A. I think they are in line with us.

Witness retired.

Mr. A. PRESTON, called and examined.

WITNESS: In answer to your question I might say you asked what part Mr. Flynn has taken in this matter. I am purely a representative of a body of unemployed soldiers who gathered in front of the D.S.C.R. offices on Spadina avenue, and I am here at their request. Before we came we requested that Mr. Conroy should accompany us. I might say that Mr. Burns and myself 'phoned to the office of the Grand Army of United Veterans, of which Mr. Flynn is President, and asked if any of their members or any of their executive could accompany us to-day. The reply was that they were holding a convention at Winnipeg and therefore a lot of their officers were out of town and they could not do anything at all, but they would do anything further to help us. Mr. Flynn has on several occasions spoken very much against the Red element and has endeavoured to lead the boys, over whom he has some in-

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fluence, into the lines Mr. Conroy has described. I wish to say further that Mr. Conroy has outlined the whole of the grounds on which this crowd of unemployed soldiers gathered together in front of the Spadina avenue office of the D.S.C.R., and asked him to come and lay the position before you. My position is that we should ask that relief should be continued to single men. The men who are single are willing to undergo any investigation as to the fact that they are absolutely in need of relief; that they have not refused in any way any kind of jobs that have been offered them, either through the Ontario Labour Bureau or through any other government department or any private department that may have been suggested, and the percentage of farm labourers amongst them is very, very small.

By the Chairman:

Q. You said "continued?" Has that been done?—A. What has been done before is in Toronto. The city has been allowing these men a sum of 90 cents per day on their meal tickets. In our opinion men not affiliated with any association do not consider that this is in any way adequate, but they are in such a state that even 90 cents a day, which provides three meals of the lowest possible character—there is no restaurant in Toronto, I am credibly informed, which supplies meals at less than 30 cents—and they have been existing on this 90 cents a day without any allowance in some cases for room rent. I am told the city provided some old hotel where the men who positively had no room or no place at all to sleep could go and sleep, but the unemployed, in fact the average ex-soldier—I am just a typical example of the ex-soldier—has no desire to mix with every Tom, Dick and Harry of that character. I have been able to carry on where it was necessary. I have had sufficient standing in my service in Toronto where I was known that if it were necessary for me to run into debt for room rent or anything of that kind, I could have sufficient credit extended to me. The men asked me to state their case in this way. There are hundreds of men absolutely destitute. To-day there will be any amount of these men who are not eating three meals, and most of them one meal. The men are not asking for charity if they can obtain work. Work is their first object. Mr. Conroy covered the point that it is were possible to have a job, any kind of a job a man can do, he is willing to do it, but failing to obtain work we ask that as a Department of Soldiers' Re-establishment you should grant the soldiers pay and allowance and make it applicable purely to soldiers, and not allow appointments from the other branches.

Now, that is what Mr. Conroy said. I have here in my possession a leaflet which some of you gentlemen may, or may not have seen. This is a little soiled, as it has been handed around to dozens of returned soldiers. It is headed "May Day 1921: Long Live the First of May: Workers of the World Unite." If you will pardon me, I will read an extract from it which was an appeal to the returned soldier, where he says:

"Every worker should remember the Imperialist War in 1914-1918. The war between two gangs of capitalist exploiters to decide which of them would dominate the world, and in which the workers were used as cannon-fodder. Remember that fifteen millions of workers were killed, fifteen millions crippled, whole countries ruined, and billions of war debts piled up. The war was not the last war—the same game is now going on between the capitalist countries. Note, diplomatic controversies, all over sources of raw material, especially oil, exploitation of backward countries and trade rivalries. This antagonism of interests among the bandid ruling classes of the different classes produced the last war, and will produce another war of even bigger proportions if the workers do not take all power into their own hands and establish the International Workers Republic."

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That is one extract of it which I have read. This ends by saying "Workers: Capitalism can only give you starvation and misery—the Workers Republic will give you freedom."

Is this what we fought for? These people appear before us and want to say that we fought for starvation and misery. Gentlemen, it is only the unemployed returned soldiers who will listen to this. A hungry man is not a thinking man, and some of this—what shall I call it?—"stuff" will eventually be driven home to those of us who have not thought the matter over, as Mr. Conroy has said. This stuff is passed around and some of it certainly will be driven home, and these men will have to be snatched out of the fire. Some of us on the other side were machine gun men, and some of us have been in the front line trenches and have had experience in bombing raids and other things like that, as you have all read about in the papers, and we know what these things mean. If you can grant some relief to returned soldiers to separate them from this Red element, it will be a mighty good thing. It is only when the working men are cold and hungry that they will listen to this stuff, and it is then that this element spreads this trash round amongst them. Now, I do not wish to take up any more of your time. I am here to ask for relief from the single man's point of view, because he is willing, even anxious, that you investigate his case both personally and in any other way you see fit, and if at any time he refuses to take a job, when it is offered to him, he is willing to have his relief cut off and never again appear before any committee. I ask for any relief that you can see fit to give us. I thank you very much.

The CHAIRMAN: Will you hand that paper to the reporter to incorporate in the minutes?

(Document handed in as follows:)

"LONG LIVE THE FIRST OF MAY! "WORKERS OF THE WORLD, UNITE!"

May Day—1921

May Day—the International Labour Day—is an expression of international solidarity of the workers of the world. On May Day millions of workers all over the world demonstrate and renew again their expressions of opposition to capitalism, which means to the workers only degradation, exploitation and misery.

Over thirty years ago a conference of Socialist workers decided that the first of May each year would be observed as the International Labour Day. The day was to be for the gathering of the forces to struggle for the eight-hour work day. To-day the motto of May Day is: "The Abolition of Capitalism," and must be used to draw more workers into the struggle, to stir them from their apathy into which they have sunk because of the conditions under which they live under capitalism.

This May Day comes in the midst of an industrial crisis which has thrown capitalist industry out of gear, thrown millions of workers into the streets to starve and shows that capitalism has entered the epoch of collapse. No longer can the workers expect even decent conditions of living under capitalism. Whole populations are reduced to conditions of barbarism, the capitalists of the world are lowering wages to a bare subsistence level, every strike of the workers to retard this is defeated and the state power is used openly.

During the world war it was a crime to be out of work; workers were urged to spend every ounce of energy to "Save the Empire." To-day amidst warehouses overflowing with goods, thousands of workers are starving. The production of commodities under capitalism has grown to such huge proportions that

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the capitalists, to whom these goods belong, cannot sell them, so the workers are laid off until the goods they produced are got rid of. These industrial crises bring out clearly the fact that the working class is a slave class—they only work when it suits the interests of the owners of the means of production to have them work; they only secure wages when they work and when they have produced such a huge quantity of goods that the owners cannot dispose of them they are flung into the streets to starve. The whole life of the work class is subjected to the interests of the capitalist class.

The struggle between these two classes will continue until the workers seize power and start to reorganize society to serve their own interest. The workers must use their power to expropriate all capitalist property to be turned into property to be used for the benefit of the large mass of the population. The capitalists, in their struggle for power against the feudal nobility, did not hesitate at confiscating the property of the church and the common lands of the peasantry, and the workers must learn the lesson if they ever expect to emancipate themselves from the domination of the capitalist class and become free men instead of slaves only used in the interests of a small ruling class.

Every worker should remember the imperialist war of 1914-1918. The war between two gangs of capitalist exploiters to decide which of them would dominate the world, and in which the workers were used as cannon fodder. Remember that fifteen millions of workers were killed, fifteen millions crippled, whole countries ruined, and billions of war debts piled up. The war was not the last war—the same game is now going on between the capitalist countries—notes, diplomatic controversies, all over sources of raw material, especially oil, exploitation of backward countries and trade rivalries. This antagonism of interests among the bandit ruling classes of the different countries produced the last war and will produce another war of even bigger proportions if the workers do not take all power into their own hands and establish the International Workers' Republic.

Like a beacon amidst the darkness of the workers plight stands the first Workers' Republic—Soviet Russia. Built by the heroic action of the workers and peasants of Russia, the Labour Republic stands as firm as a rock against the wild attacks of the capitalist states of the world. The story of the Russian Workers' magnificent defence of their country against the capitalists of the world is the finest page in working-class history—they fought to keep their Workers' Republic, a red spark in the world, a perpetual challenge to capitalism, and an inspiration to the workers of the world. Here is the goal of the struggle of the workers, hammered out by this battalion of the workers, and the challenge is hurled to the workers.—Gather your forces and establish the Soviet Republic of the World!

In Europe, the class struggle has broken into civil war. In Germany, a bitter struggle rages between the workers and the White Guards. In Italy, the workers are gathering their forces to make a final assault upon the capitalist state, and in Britain, the miners are raising the standard of revolt.

In Canada, the workers received lessons during the war, and the reconstruction period which have had the effect of creating a deep-seated unrest. The general strike in Winnipeg and the display of armed force by the Government to intimidate the workers, the existence of a special armed force to be sent wherever strikes occur to aid the capitalists to defeat the workers—these things are showing the workers that the government is a real capitalist government. The industrial crisis has raised the question of the abolition of capitalism as the only effective means of doing away with unemployment and starvation, and larger and larger masses of workers are accepting this solution as the only

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solution worthy of consideration. The Canadian workers are intently watching the struggles of their brothers in Europe, knowing that the battle being fought there is the international battle for the emancipation of the workers, from the domination of capital, and that the experiences of their European fellow-workers will guide them when the day for the final struggle comes here.

Workers! Capitalism can only give you starvation and misery—the Workers' Republic will give you freedom!

Long live the Russian Soviet Republic!"

The CHAIRMAN: We will hear you now, Mr. Burns.

J. BURNS, called and examined.

The CHAIRMAN: Just proceed Mr. Burns.

Mr. BURNS: Mr. Chairman, and Gentlemen: I do not profess to be any speaker, but I was sent down here by the returned men to put our position before you. It was I, myself, who was on the Committee which put the piece in the Telegram that we would call a meeting to find out what could be done. The streets are getting very bad in Toronto.

In the first place, before I went overseas, I worked on the Toronto Street Railway. I came back and started to work again and they told me that I had better get off the cars, as my nerves were unfit to enable me to drive a car any longer, so I had to get off. Then I took a course in vocational training, but it was insufficient to compete with the mechanics working at the same trade, and I could not put my nose up against a first-class mechanic, and therefore really could not get a job. If I did succeed in getting a job, it would only pay from fifteen to eighteen dollars a week, which was not enough to even pay the rent. My rent now is thirty-eight dollars a month. Then, I tried to get a job in the Goodyear Rubber Co., but I could not stand the work so then I got a job on a moving van for a while, moving furniture. That nearly broke me down altogether.

By Mr. Douglas:

Q. Are you a disability case?—A. Yes. I then quit working on the van, and got a job with a carpenter doing carpentering during the summer. On November 22, I think it was, we finished up the job, and I had nothing further to do until December 5, and then the job only lasted four or five days, and since then all the work I have done has been to carry the mail through Christmas and New Year's, and I have been unable to get any other work. I have got an allowance from January, but I was in debt for the rent before I started in, and the allowance I got was insufficient for me to even pay my rent and gradually I have been going deeper in debt. I am now about one hundred and thirty-eight dollars in debt for rent, and the landlord has practically ordered me out. I think that if there was some money,—we have no money to compete with the other men. There was one man told me the other day that he could have gotten a job if he had had money enough to buy some ladders and paints,—that he could then go to work. There was a two-story house that he painted,—and while he was speaking a foreigner walked along in front of him and took the job off his hands. I believe I could get a job as a carpenter if I had the tools to work with. There are hundreds in the same boat; they have no money to compete with the foreigners or anybody else. We are down and out, and I think that work should be found and also we should be given a chance to compete with the other men and be able to undertake some work. Carpenter work is picking up a bit in the city now, if we only had the tools to go out and get it.

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By Mr. Cooper:

Q. Under the D.S.C.R. course, you were not entitled to buy tools?—A. Yes, but they were motor mechanics' tools.

Q. Not carpenter tools?—A. No, I did not take that course. As I said, my course was all muddled up. In the first place, I was taking Ignition, and when my course was about completed, it transpired that I had been taking motor mechanics, and they tried to block me up in the last two months, but they did not have time enough and I was not able to finish my course properly. It was a mistake and my course was practically of no good to me,—it was neither one nor the other.

By Mr. MacNutt:

Q. So it is not a case of unemployment, as much as it is a case of not having the tools to work with?—A. There has really been nothing to do, but at the present time, carpentering is picking up, and if I had the money to get tools now, I believe I could secure some work as a rough carpenter. Do you see what I mean?

By Mr. Douglas:

Q. Under what class of disability do you come?—A. Fifteen per cent.

Q. You do not commute?—A. No.

The CHAIRMAN: Fourteen per cent is the limit for that.

By Mr. Nesbitt:

Q. Did you say fourteen or fifteen?—A. Fifteen.

Q. I want to ask you one question about this vocational training. Did you choose the employment yourself?—A. No, sir.

Q. You did not?—A. No. That was a thing I was going to remark on. When I went in there in the first place, I thought I would take the motor mechanics course. Well, my nerves are not too good to-day, as you can see, and Mr. Young said that "Owing to your nerves I do not think I will give you motor mechanics, because your nerves are hardly fitted for that, but I will give you Ignition; it is lighter and easier on you," so he proposed my taking "Ignition."

Q. You cannot get any employment at that work?—A. No, sir.

By Mr. Morphy:

Q. Your course was not finished properly? You were put on the wrong course by mistake?—A. Yes.

Q. What is the situation in Toronto, with regard to the proposed public buildings, that have been mooted for some time—the post office?—A. Oh, yes, that is the civil employment.

Q. No, that is federal work.

The CHAIRMAN: That is what Mr. Conroy mentioned. He mentioned those three things, the Viaduct, the Custom House, and Housing.

Mr. MORPHY: Well, the Custom House was one and I think there was another besides that. I would like to hear from Mr. Conroy about that. I do not want to interrupt you, Mr. Burns, but when you are finished, I would like to ask Mr. Conroy about that.

Mr. BURNS: I was practically through anyway. That is about all that can be said. There are hundreds in the same boat as I am; if they had a little bit of cash instead of this relief, which is no cash at all, they could probably start out and do a little bit of work. There are plasterers and painters wanted now, but the men cannot get the tools to work with.

[Mr. J. Burns].

By Mr. Douglas:

Q. Did I understand you to say that your rent was thirty-eight dollars a month?—A. Yes.

Q. Are there any means of your getting cheaper rent?—A. I went to look at four rooms the other day, and they wanted forty-eight dollars, that is ten dollars more.

By Mr. Redman:

Q. You say you cannot live now and pay thirty-eight dollars?—A. No.

By Mr. Morphy:

Q. What family have you got?—A. I have a wife and two children. I had to turn my eldest boy out to work although he has hardly turned fifteen yet. He is getting six dollars a week and that will probably help some. I know in Toronto a man who is getting some pension, but it is insufficient to carry on with; he is not very strong, and his wife has had to turn out to work, and leave her two young babes in next door, while she goes to work. That is another case I know of—on Perth avenue.

The CHAIRMAN: Well, gentlemen, it is getting on. We are well over our usual hour. If there are no more questions, we will let this delegation go—

Mr. MORPHY: I would like to find out what is the matter with the Federal buildings in Toronto.

The CHAIRMAN: Mr. Conroy can tell us about that.

Witness retired.

J. V. CONROY, recalled.

Mr. CONROY: I understand that the ground has already been broken for the Post Office, and it is available for building, but they are still using the old building, and there has nothing been done.

May I say, in conclusion, gentlemen, that I thank you extremely on behalf of the Committee and myself for the patient hearing you have given us, and may I very respectfully suggest to you that the Committee might be good enough to give this your very serious consideration which I know they will, and if it is at all advisable, to submit an interim report to the Honourable Prime Minister that something should be done as quickly as possible, because these boys are waiting for us to get back and I am not at all anxious to go back—Mr. Parkinson, who is here, has been there and has seen the crowd, and he can vouch for their attitude, and I am not at all anxious to face them unless I have something to say to them, so if you can give this your very serious consideration, it will place us under a deep obligation to you. We thank you sincerely for your kind attention.

(The Committee here went into executive session, following which an adjournment was taken until Tuesday morning, May 10, 1921, at eleven o'clock.)

APPENDIX No. 2

HOUSE OF COMMONS,

COMMITTEE ROOM 435,

TUESDAY, May 10, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance and Re-establishment of Returned Soldiers met at 11 a.m., Mr. Hume Cronyn, Chairman, presiding.

Other Members present: Messrs. Arthurs, Béland, Brien, Chisholm, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Nesbitt, Redman, Savard, and Wilson (Saskatoon).—16.

The CHAIRMAN: We were to hear this morning, at the request of the Department of D.S.C.R., Mr. Donovan, President of the Great War Veteran's Association of Great Britain. I may explain that the Committee's time is distinctly short and we have not too many days at our disposal to get out our report, and unless we get it out our work will not be of much value. The Committee has on file a stenographic report of your interview with the High Commissioner in November last so that we have that now on record—at least it was with Mr. Griffiths, in the High Commissioner's office, I understand. I would ask you not to cover at great length the ground that was then covered.

Mr. C. A. DONOVAN called, sworn and examined.

Mr. DONOVAN: I might say that I have been asked by the Great War Veterans' Association of England to submit to this Committee the claims advanced by them. The first claim is for repatriation. It is the claim made on behalf of the discharged Canadians and their dependents resident in Great Britain. These will be divided into two classes: men who were discharged in Great Britain and who have not since returned to Canada; and men who were discharged in Canada, and who returned to Great Britain at their own expense and now wish to be repatriated to Canada. The main reason advanced for the repatriation of ex-Canadian soldiers who were discharged in England at their own request is as follows:

(1) During the period of 1917, if a married man was returned to Canada as a casualty, all pay and allowances to his wife and dependents ceased until such time as the man's papers were forwarded to Ottawa and payment would be made there. This means that his dependents would be entirely without means for a period of approximately four months. On discharge being granted in England, men were given a form to sign, stating that they waived all right to transportation to Canada. In many cases this paper was signed by a man to obtain his discharge in England. This was scarcely fair, as a disabled man's health in such case would not warrant him entering into a contract, as the condition of the man's health was poor. A man's nervous condition would naturally be bad after having been say, two years, in the hospital, and after two or three major operations. As the Government had been at no expense in bringing this man back to Canada, it is felt that a discharged man has a moral, if not a legal, right, to be repatriated, and in such a case the moral right should carry a far greater weight than any legal claim. To explain this, I may state, that in many cases there are men who had four sons in the war, and very, very often the crippled Canadian was the only son left to his old parents, and that, in a good many cases, was the reason for the badly disabled man taking his discharge. Furthermore, after coming back to Canada he would simply go into a hospital again. His parents, brothers and sisters would be resident in England, and the man, after what he had passed through, would not have the good health or the confidence in his own powers necessary to make a living.

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By the Chairman:

Q. Is your plea only on behalf of disabled men now in England?—A. No, on behalf of all; but, more especially on behalf of disabled men.

Q. Can you give us any idea of the number of men who might wish to be repatriated?—A. At the present moment, according to information in possession of the Canadian Investigation Department, there are about two thousand. But, if it were known that they could be repatriated, I am satisfied that the number would come approximately about five thousand people, and their dependents.

Q. How many of these men are disabled?—A. The percentage would not be a majority. I imagine that the disabled men would make about, perhaps, four or five per cent—that is a high percentage of disability.

Q. You are presenting the argument that when a man signed this contract to waive his claim he perhaps was not in a fit condition to do so.

By Mr. Nesbitt:

Q. I take it that that only applies to the disabled men?—A. That would apply to the badly disabled men and also the man who had had a bad time during the war and was not in normal condition.

Q. Who are these men?—A. Discharged Canadian soldiers.

Q. Discharged in England?—A. In some cases. Others have been discharged here and have paid their own fare back to England.

By the Chairman:

Q. Let us keep these two classes separate. We are dealing with those who were discharged in England, and who at the time have signed a waiver of any right to be transported to Canada. You lay stress on the fact that though the discharged man may have no legal right to be repatriated, he has a moral right which you think should carry a far greater weight than any legal claim?—A. These men you find were practically coerced. They were in a position where they had either to sign or take their passage the next day. When I signed, I did so under protest. Some men signed and got their discharge in order to get home.

By Mr. Nesbitt:

Q. The Department would not like to have them hanging around forever, when they were ready to transport them?—A. In many cases they were taken from their beds and not given time to see their friends. They were sent back at 48 hours' notice.

Q. We know that many were kept in the hospitals for months?—A. These men were asked to sign away their right of repatriation, but it was not a fair contract, because no benefit was given them—no return was made for it. They received no benefit whatever. The contract was all on one side, since these men had been repatriated by the Canadian Investigation Department. What we want is an open policy, yes or no. We have men who are looking for repatriation and if they are to have it they should be told so at once.

By Mr. Arthurs:

Q. I suppose these men who have returned to Canada, have had their expenses paid out of some funds accumulated for the purpose?—A. A very small number indeed. We are working in very close touch with the Government officials and they have given us all the information they can furnish.

Q. What I want to know is whether these men got their passage back?—A. In some cases. What these men claim is that they signed away their right to have their passage paid and received nothing in return.

[Mr. C. A. Donovan].

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By Mr. Cooper:

Q. That may be very true, but when they signed it was their own wish to take the discharge there, either in order to take up work or for some other reason of the kind. It is hardly fair, if that is the case, to expect the Canadian Government to take them back now when they declined to come?—A. Yes, but the weak point of the case is that they signed away their right to a free passage. They have been deprived of other things also which they did not sign away. I am pressing this point as I consider that the men who were discharged in England were not discharged on reasonable grounds, because they were in an abnormal condition, and you cannot bring ordinary business routine into play. You cannot expect soldiers to sit down and think and calculate five years ahead. I claim that the right of these men to a free passage back to Canada is fair and just. They have not received their passage back.

By the Chairman:

Q. You are repeating your arguments and time is going. Now, what do you wish to say about the men who came to Canada and went back again?—A. If it is considered by the High Commissioner's office after due inquiry that these men are entitled to repatriation, let them know it.

By Mr. Arthurs:

Q. Do you claim that they have a legal right to repatriation?—A. That would depend upon the circumstances. I told the Chairman this morning that I cannot press that point very strongly; I simply claim that in that case it would be a gracious act, in view of the services rendered by these men, that they should be repatriated, because any man may make a mistake once.

By the Chairman:

Q. What is your next point?—A. It is suggested that a scheme of repatriation should be made known in Great Britain and all discharged soldiers and their dependents should be allowed to register for repatriation, at the Canadian Investigation Department, for a period not exceeding six months, and that measures be taken to have them returned to Canada as quickly as possible. Now with regard to pensions, at the session of the Board of Pension Commissioners last year an increase in pension was granted, consisting of a thirty per cent bonus owing to the increased cost of living. This increase did not apply to Canadian pensioners living in England. We consider that the cost of living has increased to a greater extent in England than in Canada during that twelve months. In a statement made last November, by the President, Vice-President and Secretary of the Great War Veterans' Association, it was pointed out that, on the Board of Trade figures, the cost of living had increased considerably in England during the previous twelve months, it being higher in that centre than in Canada at that time. At the same time, I asked that a commission be appointed with power to inquire into these things and that a finding be made, then forwarded to the Government. That commission was not granted. We feel that this is a case where they did not sign away their right to any pensions. They come to me and say that they understand that disabled men shall be treated the same in either country. I am speaking of those who lost limbs. They have lost confidence because we have not been told in Great Britain what our pension is going to be for the future, and they want the Order in Council which was passed in Canada to apply outside of Canada. We feel justified in asking that the same scale of pensions and bonuses be paid to the Canadian pensioner resident in Great Britain as is paid in Canada, and that no action should be taken to make any difference in these scales until the figures show a decrease in the cost of living.

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By Mr. Cooper:

Q. Can you get information about the discrepancy between Canadian and English rates?

The CHAIRMAN: It was done here in Committee.

Mr. COOPER: What was the reason given for the discrepancy between the rates?

The CHAIRMAN: For this reason, you will have to ask Mr. Margeson.

Col. MARGESON: That thirty per cent was not added to the pensions of those outside of Canada, because at the time all the information we had as to the cost of living was that it was much lower in Great Britain than it was in Canada. Pensions are exactly the same in England as they are here: the only difference is the one of bonus. They never get below \$40 a month. Col. Thompson went over to England last year to inquire about pensions and the cost of living from the 1st of November to the 1st of January. He took evidence and came back with the statement that the cost of living was considerably lower in England than it was here, with the exception, I think, of rents. I think rents were up a little there.

The CHAIRMAN: Was it not represented to us here that our pensions were in excess of those paid by the British authorities?

Mr. NESBITT: Yes, that is right.

Col. MARGESON: I am told that the pensions were higher here than in England, even without the bonus.

The WITNESS: That is right, and thousands of disabled men who are drawing pensions from the British Government are obliged to be organists in the streets of London to eke out a living. The British Government have given them license to do so without being interrupted by the police. I am thankful to say, and I have told the deputy minister, that the pensions granted by the Canadian Government have been good enough to keep the disabled men off the street corners. I am not objecting to anything done in Canada. We consider that your scale is a good one, but we object most emphatically to our forces being placed under the Imperial authorities. They are two years behind Canada to-day, and we do not want to be placed under the Imperial authorities. We did not join the Imperial army: we joined the Canadian army; and because the Imperial authorities are paying work-house rates of pensions there is no reason why Canada should treat her disabled men in the same way. In very many cases where men have been disabled in England, the mothers of families have to go out and earn money to support their children. Before the war, in the town of Chatham, we considered the starvation line was £1 3s. per week. Taking the official figures of the cost of living now, what is the starvation line? Certainly £2 per week, which to a man who has lost both legs above the knee means a lingering death, and I would hate to see Canadians come down to that level. The boys are afraid of these comparisons that are made between the Imperial and Canadian pensions because they are apprehensive that their pensions may be reduced. They wish to be assured that their pensions will not go down below what is warranted by actual conditions in Canada and that they will be fairly treated in the matter of the bonus. That will stop some of the men asking for repatriation. When a man is disabled 60 per cent or more, he naturally has to depend a good deal on his pension for his living. A disabled man cannot compete with an able-bodied man.

By the Chairman:

Q. I notice a statement that you made, when you were before Mr. Griffiths' to the effect that none of the other Dominions made any distinction between payments made to resident and non-resident pensioners—that they paid the same rate, whether the pensioner lived in England or in other parts of the Empire.—A. Yes, I have that information from the Local Pensions' Committee hand-book of the British Government.

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In the matter of vocational training, the training extends over six months: such training will only be available for men, the rates of pay being £2 per week plus a bonus of 5s. per week at the end of training, if the man's conduct has been satisfactory. Payment to married disabled men at the rate of £2 10s. per week with a bonus of 5s. per week at the end of such training, should a man's conduct prove satisfactory.

By Mr. Cooper:

Q. How much is that bonus?—A. Five shillings. But in the case of a married man, in addition to the £2 per week, he receives 10 shillings per week for his wife. The result of this system is that men carrying a high percentage of disability prefer to draw out-of-work pay of £1 per week plus pension, which proves that the pension plus out-of-work pay is more than the amount paid to the man receiving training. This system is obviously absurd.

By the Chairman:

Q. These are the Imperial rates?—A. Yes, which are paid to the Canadian receiving training in Great Britain.

By Mr. Nesbitt:

Q. While they are receiving vocational training?—A. Yes. At the end of this vocational training, this payment ends. A discharged Canadian who was taught the carpenter trade went to the D.S.C.R. in London for money to buy tools; but there was no fund available to help him and I do not believe that the man has started work yet. It is requested that the training of disabled men be placed in the hands of the D.S.C.R. in London, such training should be carried out entirely under their observation and that all payments should be paid in dollars and cents as laid down in the Order in Council to be paid in Canada. The statement has been made that the Imperial Government has fixed a scale of pay commensurate with the cost of living. That is entirely disproved by the figures laid down by the various experts in England during recent inquiries, more especially the figures given during the inquiry into the dockers' wages, it being impossible for the average man, who is married, to maintain even average respectability on less than £4 per week. A man with a leg or arm off needs better food conditions and more comforts than a man who is not disabled. For disabled men in England who are receiving training they have what is called an alternative allowance: if you belonged to the middle classes before the war they allow you so much additional. The disabled Canadian is not eligible for anything of the kind, no matter how high his earnings may have been before the war. He gets the lowest amount that is allowed, so our men are not treated fairly. Mind you, we did not ask for this training, but as the D.S.C.R. was sent to deal with the matter in London, and as they are established there, there must be work for them to do and if vocational training is not the work of the D.S.C.R., what is? The claim is therefore advanced that this matter be taken up in the interest of the man and as many disabled men as have "blind alley" occupations, which are likely to end in a year or two, throwing the disabled man on the labour market, in a state which will render it impossible for him to compete with the able-bodied man. The British Government have been very good in giving a number of men temporary Government jobs, I have been in Government service myself the last three years in England. We do not know whether this will be continued, or whether now that they are cutting down expenses these men will not lose their positions in some cases. If that happens, they will have to live on their pensions and go on deteriorating, instead of improving their positions. These men's interests should be safeguarded, and disabled men should not be forced to degenerate into slum conditions. They should be looked after. We feel that in view of the black industrial situation prevailing in Great Britain to-day it will be

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a gracious act on the part of the Government to repatriate such men as wish to return. I come now to rates of exchange. A suggestion has been made by the United Kingdom Branch of the Great War Veterans' Association that the difference in the rates of exchange be allowed on gratuities and pensions, and that any further sum owing to the discharged Canadian soldiers as the result of being paid \$4.86½ and not at the prevailing rate of exchange at the date of such payments, and that a reasonable share be appropriated for the benefit of widows and the education of orphans resident in Great Britain and Canada. The exchange was not allowed at the time payments were made, and the claim has been advanced that they should be allowed the difference in money. Owing to the serious clerical work involved, my organization asked that the rates of exchange should be allowed on the gratuity paid in England and on the back pensions. Some little time past the pension was paid in dollars and cents, but previous to January last it was paid at the rate of \$4.86½ to the pound. The boys prefer to be paid in dollars and cents. The Government have the power and the money to act in the matter and the men have not the means to come here and plead their case.

By the Chairman:

Q. Are you speaking of the pay while you were in the service, or just the gratuity?

A. The gratuity and the pension.

Mr. NESBITT: Do we pay in English money or Canadian?

Col. MARGESON: We pay in Canadian money now. Prior to February, 1920, we paid sterling, at \$4.86½.

By Mr. Nesbitt:

Q. Were you paid in sterling at par?—A. Yes, before February, 1920.

Q. And now there is a reduction?—A. No, now we get more because we are paid in dollars and cents.

By the Chairman:

Q. Was the gratuity paid at the same rate of exchange?—A. Yes, it was paid in pounds sterling.

Q. At par?—A. Yes, and I may say that in paying that way you have broken your own laws. There is nothing in the law to say that pensions shall be paid in sterling at the fixed rate of \$4.86½. I believe there is nothing to show that gratuities should be paid in pounds to any man, and the payment therefore is neither just nor legal. We feel that we are entitled to payment in dollars and cents. On the pay they received during their term of service the boys say they are willing to waive that, because of the tremendous cost it would involve to make the correction. We are willing that the rate of exchange should be put into a common fund for the benefit of widows and the education of orphans of pensioners resident in Great Britain, and for the relief of distress. We feel that we are advancing a reasonable thing and that you will give it due consideration. If you give that money, it will save the country in other ways and render it unnecessary to draw on other funds for the relief of disabled men and their dependents for a while. We have advertised in the papers in England for old clothes for discharged soldiers, many of whom are so lacking in clothing that they are not fit to be seen on the streets.

By Mr. Redman:

Q. How many Canadian soldiers are in England?—A. The muster roll in the hands of the secretary of the G.W.V.A. in London shows that there are sixteen thousand. The numbers given a year ago were approximately twenty thousand.

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Q. These sixteen thousand men had previously lived in Canada?—A. Naturally. There may be a few of whom did not.

By Mr. Wilson:

Q. Where did these men take their discharge?—A. In England. There are on the pension roll three thousand men and their dependents. Approximately there are nine thousand all together, three thousand of whom are disabled men.

By the Chairman:

Q. Has your organization considered the disposition of Canadian funds?—A. They are used to relieve distress, a certain portion. We consider that those funds should be released for the benefit of disabled men and to relieve distress among discharged Canadians both in Great Britain and in Canada, a certain portion to be paid in Great Britain to a number of the men who have taken their discharge there.

Q. You make a difference between the disposition of Canadian funds and any surplus which may arise out of the difference in exchange on pay?—A. Yes.

Q. The Canadian funds go for the relief of the distress of the men, and the other, I understand you to say, to relieve widows and educate orphans of Canadian soldiers, resident in Great Britain and Canada?—A. Yes. The reason of that is that certain men who were entitled to a share of the exchange money are dead and we feel that the Canadian funds should be devoted to the purposes as mentioned.

By Mr. Cooper:

Q. Do I understand you to say that there are sixteen thousand men or sixteen thousand persons, men, women and children?—A. No sixteen thousand men.

By Mr. Nesbitt:

Q. Canadians who are still in England?—A. Canadians discharged in England. There are nine thousand pensioners and dependents drawing pensions. I have made my statement as briefly as I can and I feel that what you have asked is a reasonable thing. As regards the Canadian funds I should like to say that the administration of these funds in London have been extremely well carried out. The men in charge have been straight. It could not be given into the hands of better people. They have worked hand in hand with us and their work has been excellent. It is not so much the present relief that we are concerned about, because I am proud to say that there is no decent discharged Canadian who need walk the streets of London hungry. He will get shelter and food, but we do not know how soon those funds will be cut off. We are working for repatriation. The temporary relief has been admirable and has excited the admiration of the British people, but we feel the necessity of the establishment of a definite policy. They say "tell us whether you will do something or do nothing for us."

By Mr. Arthurs:

Q. You express some doubt as to the ability or good faith of the English authorities. I want that to be made quite clear. I have been under the impression that our pension funds have been handled entirely by Canadians.—A. Yes.

Q. Then you are referring to appropriations for vocational training, etc.?—A. With regard to the pensions, I refer to the fear of the pensioners that they may be handed over to the Imperial authorities. There is one thing I want to make clear—I am not criticizing the work of any Canadian official in London; as an organization we have had the utmost sympathy and assistance from the Canadian officials. We simply want them to get enlarged powers.

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By Mr. Douglas:

Q. Do I understand your argument is that these sixteen thousand Canadian soldiers in Great Britain are anxious to come back to Canada?—A. Not the whole sixteen thousand. Some of them are in good positions, and others have expressed no desire to return. But at present there are two thousand who have applied for repatriation and that list is increasing, and as the industrial situation grows blacker it is going to increase still more, because the outlook for employment in England to-day is very bad indeed.

The Committee then went into executive session.

HOUSE OF COMMONS.

COMMITTEE ROOM 435.

FRIDAY, May 13, 1921.

The Special Committee appointed to consider questions relating to Pensions, Insurance, and the Re-establishment of Returned Soldiers, met at 11 o'clock, the Vice Chairman, Mr. Nesbitt, presiding.

Other Members present.—Messrs. Arthurs, Béland, Brien, Caldwell, Cooper, Copp, Douglas (Strathcona), Edwards, Green, MacNutt, Morphy, Redman, Savard, White (Victoria), and Wilson (Saskatoon)—16.

The Committee went into executive session.

The Committee resumed.

The ACTING CHAIRMANS Mr. I. E. Pedlow, M.P., the member for South Renfrew, has intimated to me his desire to present a matter before us this morning in regard to the Canadians who enlisted in the Polish Battalion. Is it your desire that Mr. Pedlow be now heard?

Carried.

The ACTING CHAIRMAN: Mr. Pedlow has handed me this letter which was sent to him from Wilno, Ontario, dated April 4, nineteen hundred and twenty-one, and is signed by Mr. Steven Ostrowskie. This letter is in relation to the present status of some of the members of the Polish Battalion during the recent war.

Perhaps I had better read the letter.

WILNO, ONT., April 4, 1921.

I. E. PEDLOW, Esq., M.P.,

House of Commons, Ottawa.

This is the history of the Polish Battalion from the day we joined to the day we were discharged, as near as I can explain.

We joined the Battalion on the 15th of May, 1918, at Niagara on the Lake, Ontario. We were commanded by a Canadian Commander while in Canada. We cannot just give his name as we were only two weeks in Canada before we were transferred to France by the French Government and by a French transport. While in Canada, we don't believe we were paid at a Canadian rate as we only received eighty cents for a two weeks service, and in France we were under General Haller who was a Polish General. He was our Commander from the day we landed in France to the day we were discharged.

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We landed in a French port in Bordeaux. We stayed there only a day and we were transferred to Sillegium and were kept there two weeks. From there we were transferred to Lessey and stayed in Lessey four months and again were transferred to St. Mards. In St. Mards we stayed a month and one-half and from there we were transferred to Poland in May, 1919. We were mostly all in the 4th Regiment while Overseas. While doing service in France we were paid \$13.50 a month. We were transferred to Poland by the French Government. When we arrived in Poland we were still under General Haller's command. We cannot give the reason why we were transferred from place to place. We arrived in a village in Poland (Nawy Dwar) and stayed there for a year and were paid five cents a day while in Poland.

When we were discharged we were poorly clothed and given hardly enough money to buy a square meal. We arrived home in January, 1921.

We are all Canadian born citizens and some of us are in poor health as you already have mentioned, and this is as close a history of the Polish Battalion and correct as we can explain.

Hoping this will be satisfactory, I remain,

(Sgd.) Steven Ostrowskie,
Wilno, Ont.

Mr. I. E. PEDLOW, (South Renfrew), called and examined.

By the Acting Chairman:

Q. Do these people, of whom you speak, claim to be naturalized?—A. They are born Canadians.

Q. I think, Mr. Pedlow is getting started wrong on the record. These men are citizens of Canada, who enlisted in the Polish army.—A. They are all naturalized or Canadian born.

By Mr. Caldwell:

Q. Did they have the approval of the Militia Department to enlist in the Polish Army?—A. This Polish Battalion was recruited during 1918, so they must have had the approval—

Q. Were they subject to the draft?—A. They must have been subject to the draft.

Q. But they had not been drafted?—A. They must have been subject to the draft, and Mr. Justice Duff must have given permission, or someone else did, for them to join the Polish Battalion. I understand they were subject to the draft, but for sentimental reasons they preferred to join the Polish Army instead of the C. E. F.

By the Acting Chairman:

Q. As a matter of fact, was not the Polish Battalion organized in the United States?—A. This battalion was mobilized in Niagara Falls, and I am informed the Canadian Government supplied the equipment, camp factors, and clothing.

By Mr. Arthurs:

Q. At the request of the United States Government?—A. I have not been able to get the information. These men were recruited in this Polish battalion, and all the information I have has been obtained from these men themselves. They were immediately, after enlistment, within two weeks from the time they were recruited at Niagara Falls, taken over to France, and handed over to the French army until the armistice was signed. They then were transferred to Poland, and they remained in Poland until January of this year, and they only returned from Poland at my

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request, through the Polish Consul in Montreal. He was at first unwilling to deal with the matter; however, I pressed him, and as a result of that conference, these men were returned and landed at St. John on January 18.

By Hon. Mr. Béland:

Q. At whose expense?—A. That I am not in a position to state. However, the result was that they landed home in a very poor condition as regards clothing, and with but very little money.

Q. Was there anything paid to their families?—A. Absolutely nothing. All they received was the thirteen dollars a month under the French army, and while in Poland they received the sum of five cents a day and no other consideration.

By Mr. Edwards:

Q. Five cents a day at our rate of exchange, or five cents a day in the currency of the country?—A. That I am not in a position to state. I have a letter from one of the men who said they received five cents per day.

By the Acting Chairman:

Q. Do you know if any of them were married?—A. That I cannot say. I have a list of them here with their regimental numbers, men in whom I am interested. There are none from Renfrew, but I understand there were two hundred and twenty-one altogether,—Canadians of this class,—who joined this Polish battalion and went overseas. I have a letter here from Dr. Le Pan in regard to the matter.

Hon. Mr. BÉLAND: I would suggest the letter be read.

WITNESS: Yes. It is dated April 12, 1921, in Toronto, addressed to myself. It is marked "Personal"—

The ACTING CHAIRMAN: That does not make any difference to us.

Hon. Mr. BÉLAND: I think that we should have that letter of Dr. Le Pan's read in order that we may get further information on this matter.

The ACTING CHAIRMAN: Yes, Mr. Pedlow, go ahead and read it.

Main Building,
University of Toronto,
Toronto. April 12, 1921.

Personal.

Isaac E. Pedlow, Esq., M.P.,

Parliament Buildings,

Ottawa, Canada.

Dear Sir,—

I beg to acknowledge receipt of your letter of April 7, and in reply would say that the Polish army was raised in America under the following general conditions.

The Poles in America, through the Polish Military Commission, an organization existing in the United States for the advancement of Polish aims, were responsible for all recruiting. The scheme was financed by the French Government, through the French High Commission at Washington. I think, on the representation of the above-mentioned parties, the Canadian Government simply accorded the Polish army a camp area at Niagara-on-the-Lake, gave them the use of Canadian officers, Canadian services, and provided them with certain army issues. Expenditures by the Canadian Government were repaid

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by the French Government. The men were paid at the French army rate of pay of five cents per day plus \$150 a year bonus. This money came to me direct from the French High Commission and was accounted for direct to them.

A report from myself, as Camp Commandant, to the Chief of the General Staff, M. D. Ottawa, dated March 10, 1919, gives the history of the Polish army in Canada.

The number of recruits received totalled 22,395, and of these only 221 came from Canada. All records were forwarded to the French High Commission and the Polish Military Commission, but I have kept a duplicate copy of the enlistment records, which is in alphabetical form. It is therefore necessary, to enable me to give you full information about all the men who may have enlisted from South Renfrew, that I should know their names. The number in any event was very small. There were, however, four men from Renfrew whose enlistment and discharge was unusual. They gave their names and addresses as under:—

Frank S. Letarsky, No. 156 O'Gorman street, Renfrew;
J. J. Mask, Renfrew, Ont.;
A. A. Mask, Killaloe, Ont.;
F. J. Mask, Killaloe, Ont.

These men had originally enlisted in the first Depot Battalion, Eastern Ontario Regiment, and came to us from Kingston, May 29, 1918. They were discharged from the Polish Army June 18, 1917, to re-enlist in the second Depot Battalion, East Ontario Regiment, and sent to Ottawa for that purpose. My recollection is that they claimed not to have understood the terms of enlistment in the Polish Army. They, however, I suppose, in spite of their brief stay in the Polish Army, would be rated as enlisted men in the C.E.F.

There may have been men from South Renfrew who actually proceeded overseas in the Polish Army, and if you can give me their names I will give you their records. As to the treatment that should be accorded these men, I do not feel in a position to say definitely. It would appear to me, however, that they should be treated in the same manner as those who enlisted from Canada for service in foreign armies associated with the Allies.

I would like to add this, not speaking of individuals, but generally of the men who enlisted in the Polish Army, that when we started this association we were not prejudiced in favour of these people, but shortly developed and retained to the end a very great admiration for them and their patriotism.

If I can be of any further assistance in this matter, please let me know.

Yours sincerely,

(Sgd.) A. D. Lepan,
Lt.-Col.,

Late Commandant, Polish Army Camp.

By Mr. Douglas:

Q. There were only four of them?—A. Yes, just four. There is Frank S. Letarsky, J. J. Mask, A. A. Mask, and F. J. Mask. I handed this correspondence over, and the Committee did not deal with it in any way. I thought the Committee might follow it up for any further information which you required.

By Hon. Mr. Béland:

Q. What do you claim for these men, Mr. Pedlow?—A. Of course, at the outset, I want the Committee to understand that these men are not foreigners. They are

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Canadian citizens absolutely, born of foreign parents, most of whom are naturalized citizens of Canada, and these men, having been born in Canada, are Canadian citizens, and are entitled to all the considerations that any Canadian citizen is entitled to. That is the position of these men.

By Mr. Edwards:

Q. Can you explain why they should have enlisted in the foreign army?—A. I am not in a position to state definitely, but my judgment is that it was a matter of sentiment. They were given the option of joining the C.E.F. or the Polish Army, and being of Polish descent, and for sentimental reasons they joined the Polish battalions, thinking that their services would be of equal value in the war as if they had joined the C.E.F.

Q. Who gave them that option?—A. That indefinite authority, the powers that be, the Militia Department. They, being draftees, must have had permission from Mr. Justice Duff.

By the Acting Chairman:

Q. Therefore, that letter which I read from the men themselves, sets forth the history?—A. Yes.

Q. And the letter you read sets forth the circumstances?—A. Yes.

Q. They were Canadian born?—A. Yes.

Q. And enlisted in a Polish battalion?—A. Yes.

Q. You do not know whether they were draftees or not?—A. They must have been draftees.

Q. You do not know, as a matter of fact?—A. No.

By Mr. Caldwell:

Q. At that time, every Canadian citizen was subject to the draft?—A. Yes.

Q. And they being of age would come under that?—A. Yes, but they were given the alternative—

By Mr. Edwards:

Q. Did those men come to you as the member for your district and solicit your influence or ask in any way to obtain a transfer?—A. No. It took place without my knowledge. As a matter of fact a great many of these men joined the C.E.F. and went overseas, and came back—those who did come back—with splendid records.

By the Acting Chairman:

Q. They were used just the same as any other C.E.F. man?—A. Yes. My opinion is that, the men having transferred to the Polish Battalion, their services must have been accepted by somebody, and they are entitled to the same consideration as the C.E.F. men, and my application is that they be allowed pay and allowances, bonuses and gratuities, pensions for disability, invalidity and decorations.

By Mr. Douglas:

Q. What is that last one?—A. Decorations. I think it would be well to inquire how these men came to be recruited by a foreign government in Canada.

MR. DOUGLAS: We have General Gwatkin here, perhaps he can tell us.

WITNESS: It is somewhat unusual with the Militia Department, and that Department and every other branch of the service that I came in contact with say they are in entire ignorance of how it was done.

By the Acting Chairman:

Q. Is that all that you have to say Mr. Pedlow?—A. Yes, I think that is all.

Witness retired.

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MAJ.-GENERAL SIR W. G. GWATKIN, called and examined.

By the Acting Chairman:

Q. Perhaps you can straighten us out on this, General. What have you to say about this matter?—A. All these things are done by the Minister of Militia. The real reason is that there was a great deal of enthusiasm shown in connection with this Polish Battalion. You may remember that Mr. Paderewski came over in connection with it. There was an attempt made to raise a Polish Battalion in the United States, but there was a great question there about their recognizing a foreign army. They did not like the idea of a separate army being raised in the United States, or in United States territory, and it was a gentleman's arrangement that they should be encamped in Canada. There were some twenty thousand men, and a very very large proportion, —a very, very large proportion—of them were American citizens, or American born, and these chaps resident in Canada joined that Battalion. Canada provided the educational staff, and the administrative staff of the camp, and the camp equipment, and provided the officers to look after the camp. Everything else was furnished by the French Government. The French Government volunteered to do this, and appointed Col. Lepan to take charge of the enlisting of these men, and he enlisted them. They all passed through his hands, and they went overseas from American ports, and the Militia Department had nothing to do with them. They simply came and went, and I understand now that four of these men—I do not know whether they are Canadian citizens or not—nor do I know whether they belonged in any class in the C.E.F., but in any case they were Polish, and they wanted to serve Poland. They knew all about it, and they had their eyes open. But it was the period of emotion, and they wanted to serve their own country—or rather serve the country of their forefathers—but now the emotion has worn off—

By Mr. Edwards:

Q. General Gwatkin, were these men enlisted to serve in Poland, or in any war-front?—A. Any war-front, as a matter of fact. To tell you the honest truth, after they had once embarked, we knew nothing whatever about them, but we believed they were enlisted and ordered to supplant the men from the provinces which we knew were running down.

By Mr. Douglas:

Q. General Gwatkin, can you explain, if these were draftees under the Military Service Act, how the military authorities permitted them to escape service for Canada, and allowed them to enlist in this foreign army?—A. I believe we met their wishes. I believe they expected to serve, and for sentimental reasons chose the Polish Army, but I cannot tell you whether each individual man came within those classes which were called, or not.

By Mr. Arthurs:

Q. Are you aware as to whether or not the American Government has done anything to assist these men in any way—these men who are her citizens, either during their term of enlistment or since?—A. No.

Q. They recognize them, do they not, as being under French care?—A. I have not heard a word of that.

By Mr. Morphy:

Q. Is there anything in the military records here that could be constituted an option such as Mr. Pedlow spoke of, to serve in this way, and yet be recognized by this Government?

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By Mr. Green:

Q. I think you said this recruiting was done with the full knowledge of the Minister of Militia?—A. Yes, of course.

Mr. PEDLOW: That is not my information.

WITNESS: How else could it be done?

Mr. PEDLOW: I have appealed for that information from the Minister, himself.

Hon. Mr. BÉLAND: It could not be otherwise. How could you do differently under the Military Service Act? How could a man fall under the Military Service Act and be transferred to the Polish Army without the Military authorities knowing of it? I think that strengthens Mr. Pedlow's position.

The ACTING CHAIRMAN: And be encamped in Canada.

GENERAL GWATKIN: Yes, they were certainly recognized to a certain extent by the Canadian authorities; otherwise, if no assent had been given, they could not have joined this camp at Niagara Falls.

Mr. PEDLOW: Then, these four men must have been subject to the C.E.F., because they were dissatisfied with their treatment in the Polish camp and immediately withdrew from it and came back to Canada, and were disposed of by the C.E.F. I think the twenty from South Renfrew were subject to draft.

By Mr. Green:

Q. The balance were satisfied?

Mr. PEDLOW: They were satisfied that they were serving their country in some capacity, and I believe they are entitled to the same treatment.

By the Acting Chairman:

Q. To make a long story short, the Polish Regiment, as General Gwatkin says, must have had the consent of the Minister of Militia?—A. Of course the matters were fully discussed, I believe were frequently discussed in Militia Councils, with our Minister sitting at the head of the table.

Mr. PEDLOW: Would you let me ask a question of the General?

The ACTING CHAIRMAN: Certainly.

By Mr. Pedlow:

Q. Surely, there would be some record, minute, or motion, or memorandum of the transactions of an important provision of that kind, whereby foreigners came into this country and recruited Canadian citizens?—A. Oh, most probably, but we were in the midst of a fierce war, and things might not be done with such regularity as that. I think I can tell you that the papers were passed through my hands, but I cannot recall at this moment anything formal about it.

Q. We want to get the status of these men. I have been trying to find out their status for some time, and I have been unable to find out anything. I have been told, "Of course," "as a matter of fact," and "perhaps," and so on, but I have not been able to put my finger on a record, so far, of the authority for these foreigners coming into Canada and enlisting our men?—A. I think you can take it for granted it was permitted, else they would not have been here. It so happened that our Minister knew all about it, but I think he was the Assistant Adjutant General in Toronto when the matter was first broached.

Q. I have appealed to the present Minister of Militia and the former Minister, and they both profess entire ignorance?—A. I have been out of this department for a year, and I was only warned of this meeting in a moment, but there can be no possible reasonable doubt that it was all regular, as far as the Canadian Government went, and

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these men were men who preferred to serve in their own army, and I warn you now that there were Serbians and Montenegrins who were treated in exactly the same way, and if these contentions are met, we may have a lot of Serbians and Montenegrins—

Q. Are they Canadian born? Do not confuse these men with foreigners.

The ACTING CHAIRMAN: Well, it is one o'clock, we have heard Mr. Pedlow and General Gwatkin, and I would suggest if the General can find any information that would be of use to us, he will let us have it.

WITNESS: I will go to the Militia Department, and ask them to let me look through the files, but I cannot recall anything of a formal nature, but I can assure you that the Minister knew all about it.

By the Acting Chairman:

Q. And in the meantime, if you can find anything that will be of benefit to us, you might let us have it.

Mr. PEDLOW: May I make one further suggestion to the General before he goes. I think it would be of interest to the Committee and it would be of interest to both of these men to know why and upon what authority the French Government enlisted these men in Canada and by what authority they were transferred to Poland after the Armistice was signed. These are Canadian citizens.

WITNESS: Of course, these four men are four out of twenty thousand. I do not know what induced them to take this action.

Mr. PEDLOW: It was sentimentality.

WITNESS: But it is inconsistent anyhow.

Mr. PEDLOW: No, sentimentality; these men wanted to join their own army. They were like the Frenchmen in Quebec, who wanted to join a French Battalion.

WITNESS: They knew all about it at the time.

Mr. PEDLOW: Yes, but it had been held out in certain sections that men of that section could join together, and these men, for sentimental reasons wanted to join with their own nationality.

The ACTING CHAIRMAN: There is no doubt the French Government was allowed by our Government to do that.

The Committee adjourned until Monday morning May 16th, at 11 o'clock a.m.

ADDENDA

1. Supplementary Statement submitted by Witness D. Cochrane.
2. Reports of the Sub-Committee on Correspondence.
3. Reports of the Sub-Committee on Special Cases.
4. Departmental Statements and Statistics.
5. Supplementary Report submitted by Witness Thos. Adams Re Townsites and Federal Housing Project.

NOTE.—See also page 176, *re* statement respecting Loans' Statistics; also page 391, *re* re-payments on land in connection with Soldier Land Settlement.

SUPPLEMENTARY STATEMENT

(Submitted by Mr. D. Cochrane on behalf of G.W.V.A. Returned Soldiers—*See also Evidence, page 388*).

MONCTON, N.B.,

April 26, 1921.

*Hon. Chairman and Hon. Members of the Soldiers' Re-establishment Committee,
Ottawa, Canada.*

Gentlemen,—I beg to submit to you statement regarding treatment that has been served to the returned soldiers by the C.N.R. officials of Moncton and district.

When war was declared in August, 1914, quite a number of the employees of the C.N.R. offered their services to the Canadian Government for enlistment.

Mr. F. P. Gautelius who was then general manager, issued a circular which stated that any man who was employed in any department of the C.N.R. and who voluntarily enlisted and asked for leave of absence to enlist, same would be granted to him plus his salary, and if he was spared to return, his position would be there for him, plus any promotions provided he had the qualifications for same. May I say that was for the First Division.

There was also a clause in the circular which stated that any man enlisting in the Second Division and suppose he was earning 30 cents per hour before enlisting and receiving \$1.10 per day from the Militia Department, the C.N.R. would pay him his full wages of 30 cents per hour minus the \$1.10 per day which he was receiving from the Militia Department, and the same conditions as with the First Division, that is, on his return, his old position would be there for him.

On the return of quite a number of men to their old positions in the C.N.R. shops, some of them find that through their war service they are unable to fill the positions they had previous to enlisting, and some of them were offered better positions in the shops which they were quite entitled to, but to their great surprise an order was issued that there was to be a reduction in staff.

We find that these returned soldiers through enlisting and being unable to fill their original position are transferred to some other department through disability which makes them junior to those who stayed at home or who had been employed during their absence.

I also find that there are employed over 150 men who own farms and who drive to and from the C.N.R. shops night and morning and who have been granted, on several occasions, one month's sick leave for seeding and harvesting.

May I say quite a number of these men used the farm as a cloak to evade the M.S. Act and when the Armistice was signed and there was a shortage of men in the country the C.N.R. Management at Moncton were calling out for help for their shops and the railway tracks. They took on quite a number of these farmers to assist them in getting the railway stock ready for the demobilization of the returned men.

These men are still being employed in the C.N.R. shops while as I have above stated the returned soldier is standing on the street corner wondering if this is the promise the Government made them previous to their enlisting.

On February 16th I wrote to the Superintendent of Division No. 3 enquiring why a returned soldier named Lutes had been laid off the section while a civilian had been transferred from another section to fill this returned soldier's position. I had a

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further investigation and found out that the civilian who had been transferred from the one section to the other was a brother of the foreman of the section; he was being transferred to and where the returned soldier has been laid off.

I also find that this is against the schedule as no man can work under his father or his brother on a section if the father or the brother be foreman. However, I had a reply from the Road Master and I will quote to you a paragraph in his letter to me. "I do not discriminate in any way against returned men. But all things being equal, they are given the preference. Hines is a married man with a family, and had a brother killed at the front. And I consider that *any man employed as a trackman over here would have been doing almost as much to win the war as trackmen at the Front*, as our sectionmen every day helped to keep our tracks in condition to handle the heavy traffic of troops and munitions which we did so remarkably free from mishap, as you are aware."

(Sgd) A. J. PALMER,

Roadmaster.

There was another instance the other day of how the returned men have been treated by Mr. Graham, Superintendent of the shops. There were three men employed on one of the Locomotive pits. Two of them namely, Goguen and Leblanc who had four months' service with the C.N.R. were kept on while a returned soldier named Collier who had three years and six months service in France, and who had six months' service with the railways was laid off. I took the matter up with the management and got Collier reinstated and inquired why this man Collier had received this treatment. They replied that Collier was not as good a worker as the other two men. I presume it was through his war service that he was perhaps not as hard a worker as the two men who did not enlist.

I would also like to draw your attention to the fact that the employment office at Moncton is being run by the Dominion and the Provincial Governments and the Municipality. The Dominion pays 50 per cent of the expenses, the Provincial pays 25 per cent and the Municipality 25 per cent and the C.N.R. officials have been advised to call on the Employment Service of Canada for all help that is required.

On November the 3rd I telephoned Mr. Shannon, Comtroller of Treasury, stating that I heard he had a vacancy for a good stenographer. I also advised him that I had an applicant named Welsh who is a returned soldier and a graduate from one of the universities. He replied to me that he was engaging a girl for the job. He took this young girl from the Bank of Montreal and gave her the fabulous sum of \$130 per month. That is, she was working while the returned man was idle, yet she was taken on just the same and given \$130 per month, while the returned soldier walked the streets. This individual, Mr. Shannon, had over \$1,200 increase of salary last year.

Another item I would like to bring before you is that during the drastic period of reconstruction and the C.N.R. calling for more help, a man named Gould made application for work. He informed me he was a returned soldier. I referred him to Mr. Graham, Superintendent, of the shops who engaged him. I later found out that this man Gould was a conscript and that he had deserted the Canadian Expeditionary Force. I asked for his dismissal, and another man put in his place, but a deaf ear was turned to me by Mr. Graham. However, through the influence of Mr. R. W. Wigmore and Mr. A. B. Copp, the man was laid off.

Quite a while ago a number of men were required for the scrap pile, that is rough labouring work and I did my best to find men to fill these vacancies but Mr. Graham advised me that the men I was sending were no good. I replied to him that if they were good enough to go overseas they were good enough to work under him.

There are several cases in the General offices. One of them is of a father and son working in this office, while there have been millions of dollars spent to give returned

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largest farms in Westmoreland working in the Audit office. His son is also employed in the same office. There is also a man named Gibson, a farmer, and his daughter working in this office while there have been millions of dollars spent to give returned soldiers vocational training such as stenography, book-keeping, etc., and these men are walking the streets.

I know of a Captain Keswick, a returned man who is a university graduate whom we have been unable to procure a position for with the railways, is working with pick and shovel to keep his family alive.

The average wage for a girl in the C.N.R. offices is \$87.50. Some of them are being paid as high as \$130 per month. They dress in seal coats to go to work while the returned man is standing on the street corner wondering where the next meal can be got for his family.

Any further information I can furnish you with I will gladly do so. You will understand that I am not working against any Government. I am trying to work with them. I am trying to get the returned soldiers who served in France looked after.

Faithfully yours,

DAVID COCHRANE,

Moncton G.W.V.A.

REPORTS OF THE SUB-COMMITTEE ON CORRESPONDENCE

First Report

TUESDAY, April 5, 1921.

To the Chairman, and Members of the Special Committee of the House, on Pensions, Insurance and Re-establishment:

The sub-Committee on Correspondence met on Friday, April 1, and beg to submit herewith, a summary of eighty-five communications received up to, and including Saturday, March 26, 1921, and to report as follows:—

(1) That after careful consideration of all correspondence, the sub-Committee would recommend that the secretary be instructed to advise, at the conclusion of the Committee's deliberations, the parties interested, as to the final disposal of their communications, and as to the action, if any, of the Committee, on their various recommendations and suggestions.

(2) That the summary does not embody communications setting forth specific grievances, or the particular cases of individuals, these being referred, in accordance with the instructions of the Committee, direct to the sub-Committee on Special Cases.

(3) That the summary does not embody requests for representation before the Committee, these being referred direct to the sub-Committee on Evidence for its consideration.

(4) It is recommended that Nos. 7; 24; 26; 27; 37; 65; 66; 78; 79 and 82, be referred and read to the Committee without further delay.

(5) That Nos. 15; 16; 17; 21; 22; 23; 40; 41; 48; 56; 58; 60 to 63 inclusive, 73; 74; 76 and 85, be referred and read to the Committee when the general subjects to which they relate are under discussion.

(6) No recommendation is made as to the remainder of the correspondence herein summarized, for the reason that it relates to subjects that have already been considered, or are at present under the consideration of the Committee, or for other obvious reasons.

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SUMMARY OF CORRESPONDENCE RECEIVED UP TO AND INCLUDING SATURDAY,
MARCH 26, 1921

PENSIONS

(A) Proposed Amendments to the Pension Act.

1. E. E. Miller, Davisville, Hospital, Toronto.—*Re* increase in the rates of pension now payable to a totally disabled ex-member of the Forces, with children, whose wife is dead.

2. Major J. S. Matthews, 102nd Btn. C.E.F.—*Re* the assignment of pensions for the purpose of Annuities.

3. The Amputation Association of the Great War.—*Re* various proposed amendments to the Act for benefit of Amputation and Handicap Cases.

4. Veterans of France Association, Victoria, B.C.—*Re* the assignment of pensions for the purpose of paying insurance premiums.

5. G.W.V.A. of Canada.—Submitting various proposed amendments of the Pension Act.

6. The Board of Pension Commissioners for Canada.—Submitting various proposed amendments to the Pension Act.

7. Resolution passed by the G.W.V.A., Winnipeg.—Relative to the eligibility for pension for ex-members of the C.E.F. suffering from shell shock, etc.

8. Extract from a communication received by Hon. N. W. Rowell, K.C., M.P.—Requesting the enactment of the necessary legislation to provide fixed pensions for widows and widowed mothers.

9. Resolution passed by the Grand Army of Canada, Montreal.—That disabled members of the Forces and dependents of deceased members of the Forces be granted an increase of 10 per cent in present rates of pension.

10. Grand Army of Canada, Montreal.—Resolution favouring the equalization of pensions.

11. C. G. MacNeil, Secretary of the G.W.V.A. of Canada.—Relative to the case of Flight Sgt. G. Ussher, and the latter's suggested amendments to the Pension Act, that the rating for total loss of hearing be increased from 50 per cent to 70 per cent, in conformity with the Imperial rating.

12. M. R. Blake, M.P., relative to the matter of increasing pensions for children and widows of Canadian soldiers who were married in England, and at the time of marriage were medically unfit.

13. M. R. Blake, M.P.—Relative to the refusal of Pension on the evidence of certain post mortem examinations.

14. J. J. Dougan, Secretary of the Provincial Child Welfare Association of B.C.—Relative to the matter of increases in the rates of Pensions for widows and children of deceased members of the Forces, advocating increase on the ground that the present rates are inadequate to meet the Canadian standard of living.

(B) C.E.F. Pensioners in the United States.

15. Fred Hudd, New York.—*Re* the advisability of extending increase in pension rates to ex-Members of the Forces outside of Canada.

16. L. L. Phillips, 25th Battery, C.F.A.—*Re* general grievances of C.E.F. men residing in the United States.

17. E. G. Ahern, Secretary of the Board of Pension Commissioners.—Statement as to the number of pensioners resident in the United States.

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(C) Equalization of Pensions.

18. W. A. Davis, 864 Notre Dame Street, Montreal, P.Q.—Letter suggesting the equalization of pensions.

19. Resolutions passed by the Grand Army of Canada.—Favouring equalization of Pensions.

(D) Commutations of Pensions.

20. A. C. McKinnon, Montreal, P.Q.—Suggesting re-consideration of the existing Pension Legislation, to provide for commutation of disability pension up to 20 per cent.

(E) 'Pre War Pensions.

21. From the Militia Department and Board of Pension Commissioners.—Correspondence and documents relating to regulations governing pay and allowances of the Permanent Forces and pre-war pensions containing,—

- (a) Draft of recommendations to Governor-in-Council.
- (b) Letters from the President of the Pension and Claims Board.
- (c) Letter from Major R. J. Orde, Judge Advocate General.
- (d) Letters from the Secretary, Board of Pension Commissioners.
- (e) Letters from the Legal Advisor, Board of Pension Commissioners.
- (f) Legal Advisor, Board of Pension Commissioners.—*Re* the case of Mrs.

A. W. Black, widow of Q.M.S. A. W. Black, R.C.R.

22. Various correspondence from the President of the Pensions and Claims Board, Secretary, Board of Pensions Commissioners, and Major C. G. Power,—relative to the case of Gunner Edward Baugh, R.C.A. and his claim for increase in his present rate of Permanent Force pension to that of C.E.F. pensions.

23. P. B. German, copy of his letter to E. W. Nesbitt, M.P.,—relative to the increase in the rates of Permanent Force pension to those of C.E.F. pension.

(F) Miscellaneous.

24. The Board of Pension Commissioners *re* the case of Major G. W. C. MacNeill, and the general subject of Pensions for disability incurred while on the strength of the D.S.C.R. for training.

25. John Anderson, Secretary of the Veterans of France and Comrades.—Various correspondence comparing Imperial and Canadian disability rates of Pensions.

26. The Canadian Patriotic Fund.—Letter from the Executive Secretary, relative to delays in the administration of the Pension Act.

27. E. G. Ahern, Secretary, Board of Pension Commissioners.—Statement as to the increase in pensions paid to widowed mothers by virtue of the amendments to the Pension Act of 1920.

INSURANCE

(A) Proposed Amendments to the Act.

28. A. J. Wilson, Stratford, Ont.—Suggesting that the Act be amended to provide for the Assignment of Pensions for the payment of Insurance Premiums and a suggestion to provide (apparently) for the payment of Insurance as well as Pensions to the dependents of an ex-member of the Forces who dies as a result of a disability incurred on active service.

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29. Mike Sullivan, British War Veterans of the U.S.A.—Suggesting that the Pension Act be amended to provide for the Insurance of members of the Forces who were not resident in Canada at the outbreak of War. Also suggesting that the Government should carry Insurance Policies for members of the Forces resident in the United States for a period of one year without payment of premium.

30. Robert McNichol, President of the Veterans of France Association, of Victoria, B.C.—That pensioners be permitted to assign pensions for the purpose of paying insurance premiums.

31. Calgary Branch of the G.W.V.A.—Resolution suggesting that every returned soldier is insured for the sum of one thousand dollars (\$1,000), without cost, to the individual for a period of five years.

32. The I.T.S.W.L. of Canada.—Resolution suggesting an amendment to the Act to provide for the insurance of children of tuberculous ex-members of the Forces.

33. C. G. Finlayson, Superintendent of Insurance.—Submitting proposed amendments to the Act.

34. C. G. MacNeil, Secretary, G.W.V.A.—Submitting proposed amendments to the Act.

35. Frank Turner, ex-private, 38th Battalion.—Suggesting that 100 per cent disability men be given insurance policies for from \$2,000 to \$4,000, free of charge.

36. C. G. MacNeil, Secretary of the G.W.V.A., Canada.—Submitting proposal to provide Accident and Sickness Insurance for disabled ex-members of the Forces.

37. Alfred Marriott, Toronto.—Suggesting that the policy holder be permitted to increase the amount of his policy any time, while the Act is in force, providing that he is the sole support of his beneficiary.

(B) *Exhibits.*

38. J. White, Accountant, Returned Soldiers' Insurance Branch, B.P.C.—Statement as to the number of \$5,000 policies in effect 19/3/21.

39. J. White.—Statement of applications received, policies issued, and income.

RE-ESTABLISHMENT

(A) *Loans.*

40. C. G. MacNeil, Secretary, G.W.V.A. of Canada.—Submitting the request of Herbert Thompson, Leslie, Sask., for a *second* loan from the S.S. Board for the purpose of land settlement.

41. J. T. Thompson, Montreal.—Forwarding Resolution adopted by the Unemployed Ex-Service Men's Association that Government loans be made to ex-service men for the purpose of re-establishment.

42. Henry George, Secretary, Ancient Order of Foresters, Toronto.—Letter to Mr. Thomas Foster, M.P., requesting Government loans for the purpose of meeting sick dues for members of their society who incurred or suffered disability on active service.

43. A. E. Gidney, 134th Battalion, C.E.F.—*Re* the matter of a loan for the purchase of a home.

44. Captain P. Brocklebank, Cornwall, Ont.—*Re* the matter of Government loans to assist ex-members of the C.E.F. in re-establishing themselves in commercial life

45. Captain P. Brocklebank, Cornwall, Ont.—A further communication outlining a scheme for the assistance of ex-members of the Forces by means of Government Loans.

APPENDIX No. 2

46. S. Henson, late 7th Btn., C.E.F.—Requesting loan to assist him in business.

47. C. J. & J. G. Acton, Gananoque, ex-Lieutenants C.F.A. and R.A.F.—Letter to the Assistant Deputy Minister of the D.S.C.R. requesting a loan for the purpose of developing a mineral property.

48. Agricultural Students of the University of B.C.—Resolution suggesting that the present loan of \$500 for settling agricultural students on the land be increased to \$2,000.

50. F. L. Sanderson, Sault Ste. Marie, late 52nd Btn., C.E.F.—Relative to the matter of loans for the purchase of homes.

51. Private Chas. Smith, Montreal, P.Q.—Suggesting Government Loans for the purpose of settling returned men on small plots of land with the general object of relieving unemployment.

52. Dr. A. M. Lightstone, Montreal, P.Q.—Suggesting Government Loans of \$2,000 to each returned ex-medical officer to assist the latter in establishing himself in practice.

(B) *Tubercular Soldiers.*

53. C. E. Souch, Secretary Treasurer of the I. T. S. W. L.—Resolution setting forth various matters affecting tuberculous soldiers and their general re-establishment, including suggested amendments to the Pension Act, Insurance Act and various suggestions as to treatment of tuberculous ex-members of the forces.

54. Thos. H. Williams, Byron Sanatorium, London, Ont.—Relative to various matters affecting tuberculous ex-soldiers in their re-establishment, pensions, insurance, loans, etc.

55. W. C. Arnold, Director of Medical Services, D. S. C. R.—Report on tuberculosis and after-care of patients by the Board of Tuberculosis Consultants.

56. Lt. Col. Wm. Hendrie, Hamilton.—Mild adverse criticism of what Canada has done for tuberculous cases.

57. J. R. Pyper, Ste. Agathe Sanatorium, and Mr. Scammell, Assistant Deputy Minister of the D. S. C. R.—Various documents and correspondence respecting regulations as to compensation.

(C) *Problem Cases.*

58. Letters and clippings from Lt. Col. Wm. Hendrie.—Relative to various methods of re-establishment of Problem and Tuberculous Cases; suggestions as to various ways these men might be settled on the land.

(D) *Amputation and Handicap Cases.*

59. Amputations' Association of the 'Great War.—Letter from the Secretary relative to various matters bearing on the re-establishment of Amputation and Handicap cases, which representatives of the Association are desirous of placing before the Committee.

(E) *Ex-Members of the C. E. F. resident in the United States.*

60. "Jack Canuck."—Relative to the case of John R. Hudson, Prairie River, requesting refund of transportation expenses incurred by him in coming to Canada for the purpose of enlistment.

61. Resolution passed by the Canadian Veterans Portland, Me.—Relative to the administration in the U. S. A. of benefits available for ex-members of the C.E.F.

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62. L. L. Phillips, 25th Battery, C. F. A.—Letter to Major D. L. Redman, M.P. with extracts from "Jack Canuck," *re* general grievances of C. E. F. men resident in the U. S. A.

63. Mike Sullivan, British War Veterans of the U. S. A.—*Re* various re-establishment problems with regard to C. E. F. men resident in the U. S. A.

(F) *Land Settlement.*

64. Resolution forwarded by E. W. McMillan, Secretary of the Unemployed Ex-Service Men's Association, Montreal, through Mr. Bernard Rose, Barrister.—Requesting the abolishing of the regulation in the Soldiers' Settlement Act, requiring an initial deposit of 10 per cent of land value from ex-service men taking up land under the above mentioned Act.

(G) *Transportation of Ex Members of the Forces and their dependents.*

65. "Jack Canuck."—*Re* the matter of refund to mothers of single soldiers of transportation expenses incurred upon their return to Canada.

66. "Jack Canuck."—*Re* the case of J. W. Miller, 106 Galt Avenue, Toronto, who went overseas in 1914, and worked on munitions until 1919, and who claims refund of transportation expenses, incurred on his return to Canada.

(H) *Relief for Dependents of Deserters.*

67. Major General Eugene Fiset.—*Re* the question of relief to wives and other dependents of soldiers declared to be deserters, with particular reference to the case of Q. M. S., W. J. Ball, C. F. C.

68. Hon. Hugh Guthrie, Minister of Militia and Defence.—Setting forth various aspects of the question.

69. R. E. Long, Port Hope, in support of the claim of the dependents of Q. M. S., Ball for gratuity or pension.

(I) *Education of Children of Returned Soldiers.*

70. Resolution passed by the Grand Army of Canada, Montreal.—Suggesting the free education by the State, of children of returned soldiers up to the grade of high school, and the establishing of scholarships for them.

(J) *General Cash Gratuities.*

71. C. G. MacNeil, Secretary treasurer of G. W. V. A. of Canada.—Resolution passed by the Association at the Annual Convention, March 1920, favouring the payment of a cash re-establishment bonus to 100 per cent of the members of the C.E.F.

72. M. M. Mahoney, Canadian War Mission, Washington, D.C.—Forwarding copies of certain bills and reports of the U. S. Senate, and Financial Committee, relative to the matter of cash gratuities for returned soldiers.

(K) *Ex Members of the C. E. F. Resident in the United Kingdom.*

73. Minutes of a delegation which waited upon the Permanent Secretary, High Commissioner's Office, London.—Setting forth various claims of ex-members of the C. E. F. resident in the United Kingdom, with regard to Pensions, Vocational Training, Treatment, and General Re-Establishment problems.

74. Memorandum from the Assistant Deputy Minister, Department of Soldiers' Civil Re-Establishment, to the Minister of that Department.—On the subject of grievances of former members of the C. E. F. in the United Kingdom.

APPENDIX No. 2

(L) *Miscellaneous.*

75. Letter from Philip H. Morris, Executive Secretary of the Canadian Patriotic Fund.—Respecting the attitude of that Organization towards ex-members of the Forces who have been disabled under conditions which preclude them from receiving Federal Pensions.

76. A. J. Wilson, Stratford, Ont.—Further communication setting forth in detail various suggestions as to methods of re-establishing ex-members of the Forces, with particular reference to the creation of a department to be known as the Disabled Soldiers' Industrial Commission.

77. The Grand Army of Canada, Montreal.—Resolution requesting that the Government introduce a plan of adjusting compensation for ex-members of the Forces.

78. W. H. Roberts, Secretary Treasurer, Imperial Veterans in Canada.—Relative to the matter of War Service Gratuities for Naval Ratings.

79. Messrs. Bethune & Larmonth, Barristers, Etc., Ottawa.—Correspondence and documents relative to the case of certain Grand Trunk Pacific employees who enlisted for service prior to the 1st of May, 1915, and who now claim the difference between their Army Pay and the pay they would have received as employees of the G. T. P. had they not enlisted for active service, or had they enlisted subsequent to May, 1915, the date on which the road became the property of the Dominion Government.

80. The Soldier Settlement Board.—Report submitted by the Commissioners, as to operations of the S. S. B. up to January 31, 1921. Also a resumé of general procedure and organization.

81. Anonymous letter complaining of discrimination against certain members of the Forces in the administration of the Land Settlement Act.

82. G. W. Low, Calgary, Alta.—Letter to Major D. L. Redman, M.P., relative to the payment of War Service Gratuities to the dependents of those who died on service.

83. Department of Soldiers' Civil Re-Establishment, Report as to action on the recommendations contained in the Third and Final Report of the Committee on Pensions and Re-Establishment, 1920 Session.

84. Great War Veterans, Toronto and York District Commands.—A pamphlet entitled "Compensation for Ex-Members of the C. E. F.", being a request for legislation to compensate ex-members of the C. E. F. for the loss in the purchasing power of the dollar.

85. L. A. Mason, and other employees of the Inland Revenue Office, Montreal, relative to the matter of promotion of ex-service men employed in that Department.

All which is respectfully submitted.

J. W. EDWARDS,
DUNCAN C. ROSS,
D. L. REDMAN,

Sub-Committee, on Correspondence.

Ottawa, 5th April, 1921.

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SUB-COMMITTEE ON CORRESPONDENCE

Second Report

Wednesday, April 13, 1921.

To the Chairman, and Members of the Special Committee on Pensions, Insurance and Re-Establishment:

Your Committee have had for consideration and report a synopsis of the communications received since 1st of April, which is hereto appended.

This Second Report contains the summaries of 37 communications relating to, as follows:—

- A. Proposed Amendments to the Pension Act.
- B. Commutation of Pensions.
- C. Proposed Amendments to the Insurance Act.
- D. Miscellaneous, such as: Repatriation of Soldiers' mothers; temporary appointments in the Public Service; residence requirements for entry to Dominion lands, etc.
- E. Fourteen Resolutions submitted by the Army and Navy Veterans, relating chiefly to re-establishment.
- F. War Service Gratuity for Widows and Dependents of those who died on service.
- G. Loans.
- H. Temporary Relief.
- I. Canteen Funds.
- J. Tuberculous Soldiers and Sanatoria; and,
- K. Permanent Homes and Hospitals for Disabled Veterans.

This report does not contain communications relating to Specific Grievances, and Problem Cases, such having been referred to the sub-Committee on Special Cases, nor does it contain such, which requested personal representation.

It is noted that the suggestions contained in Nos. 1, 12, 13, 14, 15, 16, 33 and 37, have been partly considered during the hearing of evidence thereon.

Your Committee would recommend that the communications referred to by No. 20 relating to residence requirements, No. 21 relating to pre-war aliens in Canada who are applicants for naturalization, and Nos. 30, 31 and 32, relating to Canteen Funds, be read when such questions are considered by the Committee.

It is also recommended that the communications referred to by Nos. 2, 3, 4 and 5 be read in connection with the proposed amendments to the Pension Act. Also, that Nos. 6, 7, 8, 9, 10 and 11 be read in connection with the question of commutation of pensions. Also, that the communications referred to by Nos. 12, 13, 14, 15 and 16 be read in connection with the proposed amendments to the Insurance Act. No. 26 outlines a general scheme of re-establishment by gratuity issued in the form of a Bond. No recommendation.

It is further recommended that, No. 36, copies of which have been distributed to each member of the Committee, be re-read when the evidence of the Specialists on Tuberculosis is considered. Your Committee make no recommendation as to the communications not specially referred to in the first page of this second report.

J. W. EDWARDS,
D. C. ROSS,
Members of sub-Committee.

APPENDIX No. 2

SUMMARIES OF EACH COMMUNICATION RECEIVED FROM MARCH 28, TO APRIL 7, 1921,
INCLUSIVE, RELATING TO PENSIONS, INSURANCE AND RE-ESTABLISHMENT

PENSIONS

(A) Proposed Amendments to the Pension Act—

1. Nova Scotia Sanatorium Branch, I.T.S.W. League, Kentville, N.S.—Resolution adopted at a meeting of this league, March 19, 1921, to provide that the widow of a tuberculous ex-service man, whose marriage took place subsequent to her husband incurring the disability pension, provided that permission to marry was granted by a specially appointed or authorized D.S.C.R. tuberculous specialist. Ref. P-1.

2. Grand Army of Canada, Montreal.—Resolution adopted on October 20, 1920, suggesting an increase of 10 per cent on present pensions, was amended on November 29, to read "on a dollar per cent basis," on account of the continued increase in the cost of living. Ref. P-12.

3. Army and Navy Veterans in Canada, Victoria, B.C.—That ex-service men who are manifestly incapacitated from work, by reason of shell-shock, or other neurasthenic cases caused by active service, be considered pensionable. (Res. 4). Res. 10—That in cases where a pension is being paid that the same be increased to meet the increased cost of living now obtaining. Res. 12—In the event of the death of any ex-service man within five years of the date of his discharge, a pension be granted to his immediate dependents, and that such pension should be subject to the time limit which now applies to pensions, and that in every case application for the pension and proof of the need should be required.

4. Mr. Blake, M.P.—*Re* Imperial Pensioners in Canada. Under date of April 7, Dr. Blake writes partly as follows: "It was stated that any Imperial Pensioner in Canada who joined the Canadian Expeditionary Forces at the beginning of the war would receive the same status as those who enlisted in the Imperial Army. Accordingly, many ex-service men drawing Imperial Pensions enlisted in the Canadian Expeditionary Forces, and now at the end of the war their pensions have not been increased by Canada. I feel that this matter of increasing their pensions to the same extent as they would have been increased, had they enlisted in the Imperial Army, should receive some consideration.

5. Widows, Mothers and Wives of Great Britain Heroes Association—Mrs. Janet C. Kemp, President—*Re* Pensions to Widows, Mothers, Children and Dependent Parents.—Suggestions respecting increases of pensions to widows with or without children; also the prospective dependency of aged parents, who are not now in actual want, but to a large extent have been overlooked by the present Act.

(B) Commutation of Pensions—

6. H. Newton, 213 Charlotte St. West, St. John, N.B.—*Re* B.P.C. No. 9852, Present rate of pension is \$28 per month. Writes partly as follows: "I respectfully request that I be given further consideration. I would still accept the amount of \$800 as settlement of my pension. Failing on the above object, I further request that I be given an advance of pension of \$500. P-13.

7. Alfred Pugh, 45 Askin St., London, Ont.—*Re* B.P.C. No. 23098. The disability of this man is 20 per cent. He states he would accept a cash consideration for his claim. P-13.

8. R. MacDonald, 8 Clifford St., Toronto.—Member of the Permanent Force of Canada.—Requests the privilege of selling his pension to the Government. States this order has always been so with the Imperial Army. P-29.

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9. C. J. Wesley, Whitaker, Temiskaming, Quebec.—Desires recommendation to enable members of the Permanent Force when retired on pension to be allowed to compute such pension for a lump sum. P-29.

10. "A 1914 Veteran," Toronto.—Expresses thanks for commutation of his pension in which he realized \$600.

11. Daniel Morrison, Melville-Boulardine, Cape Breton, N.S.—This man states he receives a pension of \$15 a month. His disability is 15 per cent. Would have no objection to having said disability reduced in order that he may become eligible for commutation of pension. He is very short of feed for his stock and will be unable to do any planting this spring.

INSURANCE

(C) *Proposed Amendments to the Insurance Act—*

12. Veterans of France, Victoria, B.C.—Resolutions *re*, (a) Payment of one-fifth amount of policy, (b) Deduction of pension granted to widow, (c) Proof of age, (d) Assignment of portion of pension to cover insurance premium, (e) Resident's qualifications. In. 1.

13. E. H. Scammell, Deputy Minister, D.S.C.R.—*Re* Suggestions with respect to an extension of the Returned Soldiers' Insurance Act, as submitted by A. U. Meikle and H. E. McCrudden. In. 1.

14. G. B. Topp, Returned Soldiers' Insurance.—*Re* the extension of the Soldiers' Insurance Act to Veterans of former wars, with particular reference to the case of A. T. Stephenson, Red Deer, Alta. In. 1.

15. T. J. Leather, Great War Veterans, Association of Canada, Winnipeg.—Letter suggesting that all Insurance Companies be made Government Agents, with the object in view of preventing many returned soldiers from altogether evading insurance.

16. Major C. B. Topp, Returned Soldiers' Insurance, B.P.C.—Further amendments proposed, *re* an unmarried man's insurance contract for the benefit of his future wife, also relating to beneficiaries designated in case he survives his wife and all his children.

RE-ESTABLISHMENT

(D) *Miscellaneous.*

17. Oswald F. Cassels, Vancouver, B.C.—*Re* Repatriation of Mothers of Returned Soldiers.—Under date of March 31, 1921, Mr. Cassels writes partly as follows: "Under the Overseas Settlement Scheme free passages are granted to those who have not previously been residents of Canada, yet a man who served nearly five years cannot obtain repatriation for a widowed mother. My mother proceeded to England September, 1915. Paid her own expenses and was obliged to return likewise." Requests refused of passage money.

The Secretary, Department of Immigration and Colonization, in reply, under date of March 18, 1921, states partly as follows:—

"I can only repeat that there does not appear to exist any legislation whereby the refund of your mother's passage money paid when coming to Canada can be authorized. Order-in-Council governing such repatriation is allowed to include the widows, wives and children under eighteen years of age."

18. Postal Porters' Association, Toronto.—*Re* Reduction of Cost of Living Bonus for Civil Servants.—President Robert Bailey, under date of March 31, 1921, states that such action will entail considerable hardship upon members of their association who are doing service in the Toronto Post Office.

APPENDIX No. 2

Re Permanent Appointments:—

In same communication Mr. Bailey suggests that immediate permanent appointments be granted, such to be retroactive and based on six months' satisfactory service. The members of this association are all returned soldiers.

Re Temporary Appointments,—

"A Returned Soldier" employed in the Civil Service, on the Temporary Pay-list, states he is doing the work of permanent employees, and does not consider himself re-established until he is made permanent." Further states how it affects the returned soldier generally.

19. W. E. Morgan, Toronto. Submitted by Mr. J. F. Marsh, *re* switch board operators.—This man states there are hundreds of switch board operators' positions which could be held by such problem cases as are disabled by amputation, lung and heart trouble, by providing that a short course be given such returned soldiers. Is convinced this would go a long way in re-establishing them.

20. Deputy Minister of the Interior, *re* resident duties relating to ex-members of the forces undergoing treatment for a war disability and who is an entrant on Dominion Lands.—Mr. Corry suggests that where there is justification under subsection 2 of section 20 of the Dominion Lands Act, Council might be asked for authority to relieve the entrant from the residence requirements.

21. Mr. Redman, M.P.—*Re* pre-war Aliens in Canada.—Under date of April 4, the question of granting naturalization to pre-war aliens who resided in Canada is submitted. The Under-Secretary of State in relation thereto, suggests that an amendment might be made to the Naturalization Act, which would provide specifically that service in an Allied army during the war would be considered as service with the Crown.

22. The American Veterans, British and Canadian Forces.—*Re* Imperial funeral expenses. This is the case of a soldier of an English regiment, a reservist, and not discharged from the service on account of his medical condition, suffering from heart trouble, caused through road building in Germany. The man died in Cleveland, leaving a wife and three young children in destitute circumstances. The letter sets forth that according to the Ministry of Pension Circular, a grant is authorized not exceeding seven pounds ten shillings for a funeral providing the cause of death was attributable to military service. The communication is submitted to the Committee by Mr. MacNeil for their attention.

23. No. 712, Ex-Spr. William Boyd, Richmond Hill, Ont.—*Re* Employment and Housing.—This returned soldier has six children, ages ranging from eighteen months to eleven years. Has been moving from one place to another for the last year. Has to get out April 10, and does not know where to go. Desires re-establishment.

24. Mrs. Janet C. Kemp, President Widows', Mothers' and Wives' Association, Vancouver, B.C. *Re* Hospital and Sickness.—Under date of March 26, Mrs. Kemp points out the pressing need of providing proper medical and hospital attention for dependents; also pointing out that the whole purpose of the pension scheme is frustrated in many cases where a serious sickness occurs among the dependents of returned soldiers.

25. The Assistant Deputy Minister, D.S.C.R.—*Re* Mike Sullivan.—Information relating to this man covering ten folios received from various persons in New York. This man was an applicant for personal representation before the Committee, stating that he was representing the British Veterans and C.E.F. men residing in the United States. Consequently steps were taken to ascertain more information, hence the documents in question.

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(E) Army and Navy Veterans of Canada, Victoria, B.C.

26. *Re* Convention Resolutions relating to (a) Re-establishment of returned veterans in fishing activities and loans therefor; (b) Federal Government to renew mortgages on homes of veterans; (c) A survey of all Civil Service positions filled since outbreak of war, etc.; (d) That neurasthenic cases and others who are incapacitated be considered pensionable; (e) Higher salaries in lower grades of the Civil Service; (f) Special consideration by Soldier Settlement Board in cases not provided by regulation; (g) That an adequate income be granted to pre-war sailors and soldiers and ex-members of the R.C.M. Police; (h) Natural cemeteries and veterans' plots, and homes for infirm veterans; (i) That a tuberculosis colony be established at Kamloops; (j) Appropriation for housing.

(F) Gratuity.

27. Mrs. Janet C. Kemp, President, Widows', Mothers' and Wives' Association, Vancouver, B.C.—That full gratuity be awarded to the widows and dependents of those who died on service.

(G) Loans.

28. E. A. Kidner, for Veterans of France, Victoria, B.C.—Under date of March 23, 1921, in a letter addressed to the Chairman, Mr. Kidner outlines a scheme of re-establishment for returned men which he sets forth in summarized suggestions, marked A, B, C, D, E and F. The first of such summaries reads as follows: "That the Dominion Government grant a gratuity, such a gratuity to be issuable in the form of a bond, to be known as an Industrial Bond, such bond to be non-negotiable, non-transferable, bearing a good rate of interest, say $8\frac{1}{2}$ per cent."

(H) Temporary Relief.

29. Mr. Robert A. McIntyre, Secretary, Veterans of France, Victoria, B.C.—Under date of March 18, Mr. McIntyre urges upon the Federal Government the advisability of extending relief to disabled men for a period of one month.

(I) Canteen Funds.

30. Calgary Branch of the Great War Veterans' Association.—Under date of April 2, Mr. Redman, M.P., transmitted a resolution adopted by the Committee on Resolutions, Calgary G.W.V.A., praying that the Parliamentary Committee on Re-establishment recommend the appointment of a Board of Commissioners vested with adequate powers to investigate the past and present condition of these funds, etc.

31. Mr. C. G. MacNeil, for the Great War Veterans' Association, Dominion Command, transmitted under date of March 21, 1921, a resolution setting forth in six clauses the purpose of the resolution relating to the fund arising from canteen profits. The first of such clauses reads as follows: "That the Government of Canada obtain, invest and place under statutory trusteeship the total amount due to the former members of the C.E.F."

32. Mr. Robert Menzies, Calgary.—Under date of March 18, Mr. Menzies, pointing out the difference in pay granted to Canadians who served in the Imperial Forces and the pay which members of the C.E.F. received, urges that a portion of the canteen funds be distributed towards such class of returned men. He further states that in his own case for a period of fifty months' service the difference in pay amounts to more than \$3,500.

(J) Tuberculosis Soldiers and Sanatoria.

33. Mr. C. G. MacNeil, under date of March 31, 1921, transmitted a memorandum on recommendations in support of Mr. J. R. Pypers' representations to the Committee respecting conditions of the Ninette sanatorium patients; also in support of Mr.

APPENDIX No. 2

Pypers' representations relating to the various clauses which are set forth in the Agenda and covering such Sanatoria as Mr. Pypers was authorized to represent.

34. Sir John Willison, President, Canadian Reconstruction Association.—Under date of March 29, 1921, Sir John Willison writes respecting plans for the re-establishment of returned soldiers, in conjunction also with the after-care of tuberculosis soldiers.

35. Mr. P. W. K. Robertson, Asst. Director of Vocational Training.—Under date of April 5, 1921, Mr. Robertson writes respecting the policy of the Department partly as follows: "In every instance where a course is recommended for a discharged tuberculous patient, such recommendation bears the signature of a qualified medical officer before approval is granted."

36. Mr. N. F. Parkinson, Deputy Minister, D.S.C.R.—Under date of April 2, Mr. Parkinson forwarded a synopsis respecting the Supplementary Report, with which each member of the Committee was provided, as prepared by the specialists of the Board of consultants on Tuberculosis and the various sanatoria in Canada.

(K) *Permanent Homes and Hospitals for Disabled Veterans.*

37. Mr. H. P. Thorpe, Secretary, Victoria, B.C., Branch of the G.W.V.A.—Under date of April 6, 1921, Mr. Thorpe forwarded a telegram to the Chairman, strongly endorsing the petition presented by Major Andrews, M.P., for the establishment of permanent homes and hospitals for disabled veterans. Telegram further states that the Victoria city council offer a free site at Elk Lake for an institution of this kind.

SUB-COMMITTEE ON CORRESPONDENCE

Third Report

FRIDAY, April 29, 1921.

To the Chairman and Members of the Special Committee on Pensions, Insurance and Re-establishment:

Your Committee have had for consideration and report a synopsis of the communications received since 8th of April.

This Third Report contains the summaries of 73 communications, relating to as follows:—

- A. Proposed Amendments to the Pension Act.
- B. Commutation of Pensions.
- C. Proposed Amendments to the 'Soldiers' Insurance Act.
- D. Gratuity or Compensation.
- E. Pay and Allowances during Treatment in Sanatoria.
- F. Helplessness Allowance.
- G. Re-establishment in the Public Service.
- H. Re-establishment of University Students.
- I. Re-establishment of Tuberculous Returned Men.
- J. Amputations' Associations—Relating to Various Suggestions for consideration.
- K. Cost of Living.
- L. Unemployment.
- M. Loans for Housing, Industrial Purposes, etc.
- N. Soldiers' Land Settlement.
- O. Civil Service Commission, suggesting certain Amendments.
- P. Department of Soldiers' Civil Re-establishment, relating to Records of Vocationally Trained Soldiers, number of, etc.
- Q. Miscellaneous, relating to Issue of Victory Medals and a Bond Bonus Scheme, for the re-establishment of returned men.

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This report does not contain communications relating to specific grievances nor problem cases, such having been referred to the sub-Committee on Special Cases.

Your Committee would recommend that the summaries of communications set forth under letters "A" and "B," numbers 1 to 15, be considered when the Committee goes into executive session upon proposed amendments to the Pension Act; also that the summaries of communications set forth under letter "C," numbers 16 to 22, be considered when the Committee goes into executive session on proposed amendments to the Soldiers' Insurance Act.

It is noted that the suggestions contained in numbers 14, 15, 26, 30, 31, 33, 35, 36, summaries of cases under letter "J," numbers 37 to 41, and summaries of communications under letter "L," numbers 46 to 52, have been considered in the course of the proceedings of the Committee during the examination of witnesses; also numbers 62 to 67, relating to Soldiers' Land Settlement.

Your Committee make no recommendation as to the communications not specially referred to in the first page of this Third Report.

D. L. REDMAN,

D. C. ROSS,

J. W. EDWARDS,

Members of sub-Committee.

SUMMARIES OF EACH COMMUNICATION RECEIVED FROM APRIL 8 TO APRIL 27, RELATING TO
PENSIONS, INSURANCE AND RE-ESTABLISHMENT

Pensions

(A) Proposed Amendments to the Pension Act.

1. J. Diggle, 1103 Georgia street, W., Vancouver, B.C. In letters dated March 31, and April 19, Mr. Diggle (Pension No. 78948) states that he is obliged to use crutches for the rest of his life. His amputation case is a disarticulation of the hip, moreover he has an abdominal wound. Almost impossible to obtain employment. Points out urgency of 100 per cent disability in cases of this kind. He further states the pension awarded him is totally inadequate.

2. Helen G. Sinclair, 1183 Howe street, Vancouver, B.C., PBC. 20903. Communication dated April 7, in which Mrs. Sinclair suggests that the Committee give special consideration to children's pensions, which in her opinion should be graded according to age.

3. J. Warwick, Secretary Soldiers' Aid Commission, Toronto. Data relating to the Commission's activities, under the Soldiers' Children's Protection Act, and more particularly relating to certain children who are awarded pension. In this connection M. A. G. Chisholm, barrister, London, Ont., points out the inadequacy of pension awarded to the grandmother under whose care Edna Atone has been placed.

4. Mrs. M. Campbell, 39 Arthur avenue, N. Hamilton, Ont. In two letters of recent date Mrs. Campbell, the mother of Capt. Lynn Campbell, who was killed in France while serving in the Royal Air Force, states she is receiving an Imperial pension which is very small. Consideration for supplementary pension is requested. Also suggests equalization of Imperial and Canadian pensions.

5. Great War Veterans' Association, New Westminster, B.C. Transmitted by Mr. McQuarrie, M.P. A communication of February 19, 1921, forwarded for the consideration of the Committee, expresses the opinion that the increase made last September is none too high, and that the present scale should be made permanent.

APPENDIX No. 2

6. Lieut.-Colonel Anderson, Royal Canadian Engineers. Presented by Colonel John Thompson. In communication dated April 14, Colonel Anderson states he lost his arm in active service in France; and as he was, and is still on the permanent force, he receives no pension. He points out that this is a discrimination.

7. British Great War Veterans, Syracuse Command. Submitted by Mr. MacNeil, G.W.V.A. of Canada. Resolution presented for consideration, namely that C.E.F. pensioners residing in the United States do not receive same consideration from the Canadian Government which is given to the veterans residing in Canada, moreover the difference of exchange entails considerable loss.

8. Victoria Branch of the Red Cross Society of Canada, Victoria, B.C. A petition dated April 7, signed by Mrs. F. W. Farrell and five other members which sets forth as follows, relating to pensions: (a) That no man's pension should be affected by his employment in a Red Cross Work Shop. (b) Also at least a recommendation to the Pension Board that a per diem, or some other form of allowance should be made towards the wages of every man employed.

9. Nova Scotia 'Command, Great War Veterans' Association.—Resolutions appended to communication of April 21.—Sets forth that in cases in which desertion of the family of a pensioner under circumstances due to temperament, when brought to the attention of the Pension Board, that such Board be given discretion to continue the payment of additional allowances to the wife and children until the children reach the age as prescribed in the Act.

10. Amputations' Association, Toronto, Ont.,—Submitted by Mr. W. S. Dobbs, President,—Communication dated March 8, received from James Jolly, sets forth suggestion that pensioners outside Canada be entitled to all benefits effecting a discharged Canadian Soldier; also that widow's pensions be that which her deceased husband received, but that such pension be stopped if she marries.

11. Amputation Club of B.C., Mr. F. N. Fulford, Secretary,—Communication of April 20, addressed to the Chairman,—Recommending that all pensions for disabilities due to Active Service, be raised to the basis of \$1 for each per cent of disability, namely 100 per cent disability to receive \$100 a month, etc., plus allowance for dependents; also that the Committee seriously consider the granting of pensions to the widows or other eligible dependents of deceased pensioners, whether said pensioners were married before enlisting or after discharge. NOTE.—The same communication was addressed to Mr. Stevens, M.P.

12. A. O. Barstow, 2048 Arthur St., Regina, Sask.,—Transmitted to the Chairman, by Mr. Andrews, M.P.—Communication of April 15,—Representing cases of those British Army Reservists residing in Canada when war broke out who served in the Canadian Permanent Force; applied for permission to return to the British Army but were refused from doing so by the Militia Department at Ottawa, as the British Government had advised Canada that the latter could retain Reservists, and one of the results being that such Reservists lost all their British service towards a British service pension. The request is, that the Canadian Government should allow such Reservists to count their British service towards a Canadian Militia Pension.

13. Edwin J. Perrin, Thornycroft Sanatorium, Glendale, Cal., U.S.A.,—Communication of April 21,—States his case is total disability receiving \$60 a month and losing 12½ per cent thereof on account of exchange. Is a Canadian, but came to California for his health. Considers that Canadian Government is penalizing him if similar total disability pensioner in Canada is awarded \$75 a month.

(B) *Commutation of Pensions.*

14. W. J. Meagher, 53 Guiges Ave., Ottawa, (No. 145555 C.E.F.).—Communication of April 16,—States he is a 15 per cent disability and is awarded \$11.25 a month

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pension; has been in hospital different times; thinks that medical treatment cannot do him any more good. Desires commutation of pension and would agree to final settlement for \$600.

15. A. C. McKinnon, 181 Laporte Ave., Montreal, (B.P.C. 36524)—Communication of April 25.—States he is now a 20 per cent disability. He would agree to 14 per cent disability and accept lump sum in final settlement if the Committee does not see fit to comprise cases of 20 per cent disabilities for commutation.

INSURANCE

(C) *Proposed Amendments to the Insurance Act (Soldiers')*.

16. The Alberta Command, Great War Veterans' Association—Communication of April 19.—Resolution adopted, sets forth as follows.—“That all the privileges under the Returned Soldiers' Insurance Act at present extended to the Veterans of the Great War be amended in order that Veterans of the South African War may enjoy the same benefits and privileges.

17. The British War Veterans of America, Syracuse Command—Communication of April 21,—Suggesting that a revision of the Act be made or that reciprocal relations with the United States be established through the Bureau of War Risk Insurance to permit such Veterans to insure with one of the respective Governments.

18. The Dominion Command, Great War Veterans' Association—Communication of April 25.—Sets forth the advisability of incorporating in the Act some revision for Endowment Insurance, and respectfully requests the Committee to consider such proposal.

19. Major C. B. Topp, Board of Pension Commissioners, Insurance Board.—Communication of April 25, transmitting non-official memorandum.—Pointing out some of the Endowment features of insurance, and is merely submitted as a basis for discussion of the subject by the Committee. In addition thereto, a draft copy relating to combined endowment and annuity insurance is submitted.

20. P. Brocklebank, Cornwall, Ont.—Communication of April 22,—Suggesting an amendment to the Insurance Act to enable the insured to obtain advances from any Chartered Bank on the security of any policy or policies held by such person insured.

21. Amputation Club of Vancouver, B.C.—F. N. Fulford, Secretary.—Communication of April 20.—Resolution recommending that adequate insurance against unemployment be provided for all amputation cases or other seriously disabled cases of a permanent character.

22. Ex-Sapper Edwin J. Perrin (No. 431015), Glendale, Cal., U.S.A.—Communication of April 21.—Complains that since the Insurance Act was passed after many men had left Canada for the United States, he and many others cannot benefit and are outlawed from taking insurance. They make a special trip to Canada because he states the Act only provides for those who are domiciled in Canada.

RE-ESTABLISHMENT

(D) *Gratuity or Compensation*

23. Mrs. Helen G. Sinclair, 1183 Howe street, Vancouver, B.C.—Communication of April 7,—Sets forth partly as follows: “It is common knowledge in this city that several widows who are in receipt of full pension also receive soldier's portion of the war service gratuity, as well as dependent's pension on account of ex-soldier dying after discharge, whilst the widow of a man killed in action received dependent's portion only. Mrs. Sinclair considers this to be an injustice to the widow of the man killed in action.”

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24. Mrs. Elizabeth Proctor, 35 Garden avenue, Toronto.—Communication of April 8.—Sets forth partly as follows: "My three eldest boys went overseas and served in the war; two of them returned, but my eldest son was killed at Passchendaele, after serving two years in France. My two returned sons received gratuity, but the service of my deceased son was practically ignored. I have received nothing, and was to a certain extent dependent upon him for support. He assigned to me one-half of his pay before going overseas."

25. J. A. Harper 998 Clarens avenue Toronto.—Communication of April 8.—Sets forth partly as follows: "I do not think the mothers are getting fair treatment. We had three sons who volunteered for active service; only one returned home. Surely some consideration should be given those mothers who have gone through so much sorrow and anxiety."

26. Leo Warde, Chairman, Joint Council, G.W.V.A., Manitoba Command.—A resolution adopted by this Council, which is appended to communication of April 9.—Sets forth partly as follows: "Participation in a proposed plan relating to gratuity or bonus for 100 per cent re-establishment of the Forces is to be based on a measured service plan of indemnity, to be paid at the maximum rate of proportion of one dollar per day for the full period of service irrespective of place of service or rank held by the returned men."

(E) *Pay and Allowances during treatment in Sanatoria,—*

27. Various Officers and Non-Commissioned Officers now under treatment in sanatoria, in communications addressed to the Committee and Members of Parliament, protest against any proposed reduction of pay and allowances now paid them. Persons from whom such telegrams and letters have been received are as follows:—

"Sheppard," Gravenhurst,—to Dr. McGibbon, M.P.

A. A. Peachy, Muskoka Cottage Hospital—to the Chairman.

Thos. Calloway, Tranquille Sanatorium—to Chairman, Mr. Stevens, M.P., the Prime Minister, Mr. Cooper, M.P., Mr. Crowe, M.P., Col. Peck, V.C., M.P.

Nursing Sister T. M. Stewart, Muskoka Cottage Hospital—to Mr. Andrews, M.P.

W. A. Claxton, Provincial Sanatorium, Fort Qu'Appelle—to Mr. Edwards, M.P.

Nursing Sister S. S. Hootz, Muskoka Cottage Hospital—to Mr. Nesbitt, M.P.

Lieut. F. J. D. Winslow and Major F. C. Hemming, Muskoka Cottage Hospital—to Col. Peck, V.C., M.P.

Superintendent, Byron Sanatorium—to Mr. Nesbitt, M.P.

Nursing Sisters and Non-Commissioned Officers, Byron Sanatorium—to Mr. Glass, M.P.

Superintendent, Christie Street Hospital—to Mr. Nesbitt, M.P.

Nursing Sister R. F. Reed, Watford, Ont.—to Mr. J. E. Armstrong, M.P.

28. Imperial Veterans in Canada, W. H. Roberts, Secretary.—Communication of April 20.—Directing the attention of the Committee to certain ruling of the Department of Soldiers' Civil Re-establishment granting pay and allowances to returned men while incarcerated in Mental hospital, and requesting consideration towards the granting of pay and allowances to all who have been unfortunate enough to be placed in the position which is usually ascribed to mental patients.

29. Edwin J. Perrin (No. 431015), Glendale, Calif., U.S.A.—Communication, April 21.—Setting forth partly as follows: "The smallness of pay and allowances to men undergoing treatment in hospital is one which is also causing serious hardship and dissatisfaction; this amounts to \$29 a month and is decidedly too small for our needs." This man is suffering from tuberculosis and is being treated in Thornycroft Sanatorium, California.

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(F) *Helplessness Allowance*—

30. Amputation Club of British Columbia, F. N. Fulford, Secretary.—Communication addressed to the Chairman and Mr. Stevens, M.P., of April 26.—Recommend that, wherever it has been found necessary to grant temporary helplessness allowance, to make that allowance permanent.

(G) *Re-establishment in the Public Service*—

31. Army and Navy Postal Association, Toronto.—Communication of April 23, addressed to the Chairman, Mr. MacNutt and others.—Setting forth that between three hundred and four hundred soldiers are employed in a temporary capacity in the Toronto Post Office Department, and request consideration by the Committee towards permanent re-establishment in such position.

32. R. W. Stephens, 235 Holland avenue, Ottawa.—Communication of April 10.—Setting forth that he enlisted in 1915; discharged 1918; now employed as temporary in the Department of Militia, and that his work is nearing completion. Asks consideration with a view to enabling him and other returned men so employed to be transferred to other departments where they might be appointed permanent.

33. Corporal H. O. Smith, 57 Ivy avenue, Ottawa.—Communications April 7 and 18.—Stating that since his return he has been reinstated in the S.A. & A.P. Branch, Militia Department. Desires permanent appointment. Note: This case was considered in Committee, in the course of Mr. Foran's evidence, on Monday, April 25.

(II) *Re-establishment of University Students*—

34. H. W. Humphrey, Mount Allison University, Sackville, N.B.—Communication of April 24.—Setting forth that his course was incomplete when he enlisted in the early spring of 1916. Served three years overseas, and returned to complete his course in 1919, at civil engineering. He is unable to proceed for want of money. He asks: "Why should I not be eligible for an eight months' course, as given to some returned men last year?"

(I) *Re-establishment of Tuberculous Returned Men*—

35. Henry W. Davidson, Kamloops, B.C.—Communication of April 5.—Suggesting the establishment of a soldiers' colony on the Kamloops Indian Reserve, for tuberculous cases.

36. Veterans of France Association of British Columbia, Mr. E. A. Kidner, Secretary.—Communication of February 10.—Suggesting various features of re-establishment for tuberculous men consisting of light employment.

(J) *Amputations Associations*—

37. W. S. Dobbs, President of Toronto Branch.—Communication of April 22.—Submitting further suggestions for consideration, relating to multiple amputation cases. Mr. Dobbs recommends in this connection that the issue of wheel-chairs to multiple amputations be made a Government responsibility. List of multiple disability cases is appended to the communication.

38. W. S. Dobbs, Toronto Amputation Club.—Documents dated February 5, 1919, and April 6, 1921, comprising correspondence between Messrs. Hazelton and F. Price, representing the Limb Factory, and Mr. Coulthart, Director, Orthopædic Institute; also between the Deputy Minister, S.C.R., and the Secretary of the Amputation Association.

39. Amputations Association, Toronto.—Resolution relating to employment generally; also, orthopædic and surgical appliances. Considered in the evidence given on April 19, 1921.

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40. Amputations' Associations of Saskatchewan, Calgary, Edmonton, Hamilton, and British Columbia—Resolutions of April 16.—Recommending the reclassification of the present scale of the percentage of disability awarded in amputation cases, based on a 50 per cent minimum award; also extra disability allowances.

41. F. N. Fulford, Secretary, Amputation Club, Vancouver—Resolutions of April 20, addressed to the Chairman and to Mr. Stevens, M.P.—Setting forth the present position of amputation cases regarding employment and their desire to be permanently re-established, suggesting loans to enable them to buy an acre of land, more or less, and adequate insurance against unemployment.

(K) *Cost of Living*—

42. Alex. I. Machum, Secretary, St. John Branch, G.W.V.A.—Communication of April 8,—Desiring to register most emphatic protest against the proposed reduction in the cost of living bonus to civil servants, many of whom are returned soldiers. Transmits copy of resolution adopted by the association in support of such protest.

43. Mr. C. G. MacNeil, Dominion Command, G.W.V.A.—Communication of April 28,—Desiring to supplement his evidence on the cost of living conditions affecting returned soldiers by submitting a further analysis of statistics for the period ending March 31, 1921. Mr. MacNeil contends in this communication that certain statistics for March, 1921, as compared with March, 1920, show an increase of approximately 10 per cent.

44. Dominion Bureau of Statistics—Communication and statistics, submitted by Mr. R. H. Coats, April 13.—Data relating to index numbers of wholesale prices in Canada by groups of commodities for 1920-21; also relating to cost per week of a family budget of staple foods, fuel, lighting and rent, in terms of average prices in sixty cities of Canada.

45. F. A. Acland, Deputy Minister of Labour.—Communication and statistics, April 14.—Data relating to wholesale and retail prices of commodities included in a family budget; also the changes in the average cost in Canada of a weekly budget, by groups of expenditure for the years 1913-14-15-16-17-18-19-20 and portion of 1921.

(L) *Unemployment*—

46. W. A. Littlejohn, City Clerk, Toronto,—Telegram addressed to the Chairman, April 14,—Stating that there is a serious condition in Toronto arising from unemployment among returned men, and suggests that certain steps be taken to relieve the present critical condition by way, for instance, of erecting public buildings, etc.

47. Mr. David Cochrane, Col. S. D. Anderson and A. C. Chapman, Moncton, N.B.—Communication of April 21,—Representing that over 300 returned men were laid off by the management of the C.N.R.—*Note:* Mr. Cochrane gave evidence before the Committee upon this question on Friday, April 22.

48. Pte. Emile Côté, St. Lambert, P.Q.—Communication submitted by Mr. Archambault, M.P., April 21.—States that this man served in the trenches 42 months; has been out of employment since November, 1920; he cannot do manual work. This case was considered in the course of Mr. Foran's evidence on Monday, April 25. Mr. Foran also submitted certain findings relating to this man, in a communication addressed to Mr. Nesbitt, April 26.

49. Winnipeg District Command, G.W.V.A.,—Communication of April 28.—Setting forth the acute extent of distress attendant upon unemployment in Winnipeg.

50. Mr. J. V. Conroy, Secretary, Toronto Command, G.W.V.A.—Telegram of April 26, addressed to the Prime Minister, on behalf of a Conference of Returned

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Soldiers' Organizations in Toronto, in conference.—Resolution adopted to the effect that in Toronto and several other cities the unemployment situation is rapidly assuming such grave proportions as to demand immediate attention.

51. Mr. C. G. MacNeil, Dominion Command, G.W.V.A.—Communication dated April 27.—Reference made to statistics with regard to unemployment conditions in Canada, with particular reference to returned soldiers. Also setting forth that according to the last Bulletin of Dominion Headquarters for the week ending April 2, there has been a drop from the pay rolls of 13,396 workmen.

52. Mr. J. V. Conroy, Secretary, Toronto, Command G.W.V.A. Telegram of April 26, to Department of Soldiers' Re-establishment, and transmitted to the Chairman of the Committee.—Setting forth that all Veteran Organizations in the city suggest that Relief Measures be adopted to meet the present conditions; also that bona fide unemployed ex-service men be placed on Army Pay and Allowances, until absorbed into employment through Government Employment Bureau.

(M) Loans for Housing, Industrial Purposes, etc.

53. Wm. Hoelke, Pembroke, Ont.—Communications March 10, 1921.—Sets forth that this man is a soldier of six years' standing. Desires to obtain a loan of \$300 or \$400 to enable him to buy a house.

54. W. H. Meldrum, Port Hope, Ont.—Communication, April 19, 1921.—States that his son a returned soldier, whose health is sadly impaired desires to get started in Poultry Farming, and would like a loan therefor.

55. Arthur H. Holder, 426 Montreal St., Kingston, Ont.—Communication April 11, 1921.—Corporal Holder No. 318903, states he has served in France 29 months. Desires about one thousand dollars credit to start business. He further states he followed a course of nearly four months in mechanical dentistry. Can supply credentials as to character, business ability, etc.

56. H. M. Mowat, M.P.—Communication *re* Industrial Suburb and Housing.—A sub-Committee was appointed to consider Mr. Mowat's proposal and as a result of a conference between Mr. Mowat and the sub-Committee this question was considered in Committee on April 28, when Mr. Thomas Adams of the Conservation Commission, and Mr. S. Maber of the Soldier Settlement Board, appeared for examination thereon. See Evidence of April 28 (No. 18).

57. Ex Sapper Wm. Boyd, No. 712, C.E.F. Richmond Hill, Ont.—Communication March 31, 1921.—Sets forth that he has six children, lives eleven miles north of Toronto, and must vacate the house he is living in. Desires assistance to obtain a suitable house.

58. H. H. Stevens, M.P. in behalf of two blind soldiers,—Mr. Knight and Mr. Roden.

Note—Mr. Stevens appeared before the Committee regarding the re-establishment by way of financial assistance for these two blinded soldiers. (See No. 14 copy of Evidence, Tuesday April 19).

59. Amputation Club, Vancouver, B.C.—Communications April 20 addressed to the Chairman of the Committee and Mr. Stevens, M.P.—Recommending that a loan be granted to partially disabled soldiers for the purpose of enabling them to purchase for themselves one acre (more or less) of cultivated land, together with dwelling thereon.

Loans for Housing, Industrial Purposes, etc.

60. Albert E. Henning, Secretary, Returned Professional and Business Men's Association, Victoria, B.C.—Communication, April 19.—Addressed to the Prime Minister, and the Chairman of the Committee.—Recommending that the Bonus Bond Scheme as outlined by Mr. E. A. Kidner, be urged upon the Federal Authorities for consideration.

APPENDIX No. 2

61. R. A. McIntyre, Secretary, Veterans of France, Victoria, B.C.—Communication April 11, addressed to the Prime Minister,—Strongly endorsing in a Resolution adopted by the Association, the scheme as proposed by Mr. E. A. Kidner, for the re-establishment of returned men.

(N) *Soldiers' Land Settlement.*

62. Memorandum April 19, 1921,—From the Soldier Settlement Board relating to Western Inspection of Lands intended for the Soldiers' Settlement; also relating to suggestions submitted by Mr. MacNutt, M.P., considered in Evidence given.

63. Major Barnett, Chairman, Soldier Settlement Board,—Memorandum April 16, 1921,—Relating to the Administration and results obtained by the Board, under present provisions of the Act. Considered in evidence given before the Committee.

64. Soldier Settlement Board,—Statistics, April 16, relating to repaid loans; cases of 10 per cent waived and cases of 10 per cent paid. Statistics relating to collections to March 31, 1921; Progress Report of collections made covering period April 1, to April 14; Cases of repaid loans.

65. Mr. P. Brocklebank, Cornwall, Ont.,—Communication April 22, 1921,—Submitting a proposed amendment to the Soldier Settlement Act, to enable the returned soldier to be further assisted.

66. Mr. Thos. MacNutt, M.P.,—Communication of April 8,—Suggestions relating to soldier settlers on land in the West who have taken advantage of the loans made through the S.S.B., also letter April 20, addressed to the Chairman of Committee, in reply to observations made and certain features of the Board's Administration. Considered in the Evidence given on April 22.

67. Dominion Command, Great War Veteran's Association,—Recommendations submitted by Mr. C. G. MacNeil, April 21, 1921,—Fifteen suggestions considered in the course of the evidence given on Wednesday, April 27.

(O) *Civil Service Commission.*

68. Mr. Wm. Foran, Secretary, Civil Service Commission,—Communication April 14,—Suggesting amendments to the Civil Service Act, whereby returned soldiers shall be placed in the order of merit on the list of successful candidates above all other candidates.

69. Mr. Wm. Foran, Secretary, Civil Service Commission,—Records April 27, relating to number of persons with active service Overseas given temporary employment also number given permanent appointments; also classification of employees of the Dominion Water Power Branch in Winnipeg.

(P) *Department of Soldiers' Civil Re-establishment.*

70. Mr. E. Flexman, Director of Vocational Training,—Communication April 25th 1921,—Enclosing records relating to number of men treated by the Medical and Dental Services Branch; Orthopædic and Surgical appliances; number of men vocationally trained; Statistics relating to unemployment relief; number of Vocational Loans.

71. Mr. E. Flexman, Director of Vocational Training,—Communication April 28, 1921,—Setting forth re-establishment benefits received by demobilized soldiers re C.P.R. Employees, G.T.R. employees.

(Q) *Miscellaneous.*

72. Dominion Command, Great War Veterans Association,—Communication April 19, 1921,—Submitted by Mr. MacNeil,—Transmitting a Resolution received from the British Great War Veterans of America, relating to the issue of "Victory Medals."

73. Mr. Robt. A. McIntyre, Secretary, Veterans of France,—Communication April 11,—Setting forth that the Bond Bonus Scheme of Re-establishment which was submitted to the Committee by Mr. Kidner is unanimously endorsed by their Association.

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SUB-COMMITTEE ON CORRESPONDENCE

Fourth Report

MONDAY, May, 9th, 1921.

To the Chairman and Members of the Special Committee on Pensions, Insurance and Re-establishment:

Your sub-Committee have had before them for consideration and report synopses of the communications received since April 28th. Summaries of same are hereunder set forth relating to questions of Re-establishment, Pensions and Insurance as follows:

- (a) Unemployment.
- (b) Loans.
- (c) Amputation Cases.
- (d) Miscellaneous—
 - (1) Canteen Funds Profits.
 - (2) Loss through Rate of Exchange.
 - (3) Proposed Amendment to the Civil Service Act.
 - (4) Polish Battalion.
 - (5) School lands for Soldiers' Settlement.
 - (6) Post-War Burials of ex-Soldiers.
- (e) Pension for Total Deafness.
- (f) Proposed Amendment to the Soldiers' Insurance Act to enable former members of the Mercantile Marine to participate in its benefits.

The Report does not contain any reference to specific grievances nor problem cases, such having been referred to the sub-Committee on Special Cases.

With reference to number 3 summary herein contained your Committee recommend that Mr. Cochrane's statement be read to the Main Committee when the question of C.N.R. ex-service men, at Moncton, is considered. The questions referred to in numbers 2, 7 and 8 have been noted in the evidence which is now before the Committee. Numbers 4, 5 and 6 under Letter "B" and from 9 to 16 under Letter "D" will be considered upon the question of Re-establishment, in executive session. Number 17 of Letter "E" relating to total deafness pension, and number 18 of Letter "F" relating to the Soldiers' Insurance Act and the proposed application of its benefits to ex-members of the Mercantile Marine Service should be considered in executive session upon the questions of pension and insurance respectively.

Your Committee make no recommendation as to communications which are not specially referred to in the first page of this report.

Respectfully submitted.

D. L. REDMAN,
J. W. EDWARDS,

Sub-Committee on Correspondence.

Summaries of Communications received, April 29th to May 7th inclusive, relating to Pensions, Insurance and Re-establishment.

RE-ESTABLISHMENT

(A) *Unemployment*

1. Mr. E. Flexman, D.S.C.R., Ottawa,—Statement, based upon information received from the Department of Labour, showing the number of unemployed in the various cities of Canada, who have made applications for employment to the Dominion Provincial Government Employment Bureaus. The statement is dated April 30th.

APPENDIX No. 2

2. Mr. C. G. MacNeil, G.W.V.A. of Canada,—Communications, May 4th and 5th,—Setting forth conditions of unemployment in Toronto and Winnipeg as affecting returned soldiers and urging immediate consideration.

3. Mr. David Cochrane Moncton, N.B.,—Communication, April 26th.—Submitted by Mr. Copp, M.P.: Mr. Cochrane, on behalf of returned men who are employees of the C.N.R. prior to enlistment for overseas service, in a lengthy statement, writes in part as follows: "In August 1914, quite a number of the employees of the C.N.R. offered their services to the Canadian Government for enlistment. The then Manager issued a circular stating that any man who was employed in any Department of the C.N.R. and who voluntarily enlisted and asked for leave of absence to enlist, same would be granted to him plus his salary, and if he was spared to return his position would be there for him plus any promotions, provided he had the qualifications for same. That was for the first Division." Mr. Cochrane further states that many of such men are still unemployed.

(B) *Loans*

4. Mr. McQuarrie, M.P., on behalf of Mr. Wm. E. Maiden and members of the G.W.V.A. of New Westminster and District—Communication, April 28th, respecting loans for fishermen who are returned soldiers.

5. No. 246834, Pte. J. L. Lasnier, 22nd Battalion, Bathurst, N.B.—Communication, May 1st, to the Chairman,—Respecting application for a vocational loan stating that it was refused and giving for reason that he needed more training. Mr. Lasnier states positively that he knows enough of the printing trade to successfully conduct a printing business. *Note.*—Copy of Mr. Lasnier's letter is being sent to the Department of Vocational Training.

6. No. 210788, Mr. T. B. Reid, Toronto,—Communication, May 3rd,—Mr. Reid desires a loan of \$500.00 to help him along with five acres; desires it repayable on instalment plan. States that he has \$400.00 and a house that he has built himself.

(C) *Amputations*

7. Mr. A. Sutcliffe, Secretary, Amputations' Association, Toronto,—Communication, April 26,—Respecting the evidence given by Mr. Coulthart upon the question of laying off badly crippled men who have been specially trained for two or three years in certain branches of the manufacture of orthopaedic appliances. Further states that such crippled men have no chance of competing in the line for which they were trained.

8. Mr. W. S. Dobbs, President, Amputations Association, Toronto,—Communication, May 2,—Requests that something be done to retain the amputation cases at present employed in the Limb Factory, and that conditions which at present obtain in the O. & S.A. Branch be maintained.

(D) *Miscellaneous*

9. Mr. John Anderson, Hamilton, on behalf of the Discharged Soldiers and Sailors' Federation, *re* Canteen Funds,—Communication, May 2,—Respecting the portion of the Canteen Funds profits allotted to Canada, and offering suggestions, also states that the federation adopted a resolution at a meeting held on April 26,—Recommending that the moneys accruing from said funds be devoted to the formation of the nucleus of a fund, the object of which would be: the transportation of the mothers and widows of the men who died overseas to visit the graves of their soldier sons and husbands.

10. Mr. MacNeil, G.W.V.A., *re* Rate of Exchange and Loss thereby,—Communication, April 30, on behalf of several groups of ex-service men of the C.E.F., discharged

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and residing in United Kingdom, setting forth their claims for loss sustained by the adverse rate of exchange during a certain period of the war.

11. Mr. MacNeil, G.W.V.A., *re* Proposed Bill to amend the Civil Service Act.—Communication, May 4.—Mr. MacNeil contends that according to this Bill certain privileges formerly extended to returned soldiers under section 39A of the Act, 1918, will be abolished.

12. Mr. MacNeil, G.W.V.A.,—Loss through Rate of Exchange,—Communication April 30, on behalf of several groups of ex-service men of the C.E.F. discharged and resident in the United Kingdom, setting forth their claims for loss sustained by the adverse rate of exchange during a certain period of the war.

13. Mr. Béland, M.P., on behalf of Mr. Pedlow, M.P., *re* Polish Battalion,—Communication April 12, from the late Commandant, Polish Army Camp,—Lieut.-Col. LePan sets forth that on certain representations made to the Canadian Government, leave was granted to the Polish Army to go to Camp at Niagara-on-the-Lake; had the use of Canadian officers' services, etc. The men were paid at the French Army Rate, namely five cents per day, plus \$150 per year bonus. The number of recruits received totalled 22,395 and of these only 221 came to Canada. These men had originally enlisted in the 1st Depot Battalion, Kingston, Ont., Regiment, and came to us from Kingston on May 29, 1918. It is the opinion of the writer that these men should be treated in the same manner as those who enlisted from Canada for service in foreign armies associated with the Allies.

NOTE.—Both Mr. Béland and Mr. Pedlow desire to appear before the Committee when the above question is given consideration.

14. Mr. MacNeil, G.W.V.A., *re* Land Settlement,—Communication May 4, sets forth in the matter of School Lands at the present time, according to the Act it is impossible for appeal to be made against the findings of the appraisers whether or not they agree, or otherwise, regarding any particular parcel of land. "We have several cases in point, where one appraiser can not agree with the other; no appeal is allowed, therefore no further action can be taken."

15. Mrs. Walter Lyman, Montreal, *re* Post War Burials.—Communication April 28,—Submitting resolution of Montreal Council of Women, regarding Government responsibility for the burial of destitute war veterans.

16. Dr. Albert H. Abbott, Canadian Red Cross Society, Toronto, *re* Burial of Destitute Veterans.—Communication April 27, on behalf of the Manitoba Division of the Canadian Red Cross Society.—Supporting the G.W.V.A. recommendations which read as follows: "That more adequate provision be made for the burial expenses of ex-members of the forces who die in destitute circumstances."

Dr. Abbott further states: "I also know that soldiers' organizations feel very keenly that it is not right that ex-soldiers should be buried as paupers, and so far as the Repatriation League is concerned we never refused to pay the burial expenses of a soldier when investigation showed that he had died in destitute circumstances."

(E) Pensions

17. Mr. C. G. MacNeil, G.W.V.A. of Canada, *re* Total Deafness,—Communication May 7,—Submitting as follows: "I beg to suggest that in the consideration of amendments to existing pension legislation, the proposal of an increased rating for the disability of total deafness be discussed. Many of those suffering with this disability complain that restriction in the matter of employment is so great as to warrant a higher award."

(F) Insurance

18. Mr. C. G. MacNeil, G.W.V.A. of Canada,—Communication May 6, also memorandum appended thereto, submitting as follows: "I am requested by the Nova

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Scotia command of this Association to request that consideration, by your Committee, be given to the advisability of amending the Returned Soldiers Insurance Act, enabling former members of the Mercantile Marine, engaged in war service under the British Admiralty, to participate in these benefits. The attached memorandum, as prepared by one of those directly interested is fully explanatory of the subject."

The report above-mentioned contains the following among other representations: "Those who can avail themselves of the opportunity to benefit by this Act are returned soldiers and sailors of His Majesty's Naval Military or Air Forces who served in the late war."

REPORTS OF THE SPECIAL COMMITTEE ON SPECIAL CASES

First Report

COMMITTEE ROOM, April 5, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment:

We, your sub-Committee on Special Cases, beg to submit our First Report. We have considered the following cases and beg to report as follows:—

No. 443606, Pte. John Baird.—Case of desertion; see section 23, sub-section 5, of Pension Act. Mr. Fulton thinks country morally liable. See file.

No. 7617, Pte. G. N. D. Curtis, Peterborough, Ontario.—Submitted by Mr. Gordon, M.P. Gets full pension for self, wife and one child and \$20 a month helpless allowance. Suggestion to Pension Board is that they keep track of this man, if he gets bed-ridden, increase his helpless allowance.

No. 1042002, Q.M.S. William J. Ball.—Case of desertion. Said to have wife and one child. Committee had better consider this class of case together. See correspondence. Submitted by Mr. Gordon, M.P.

No. 148059.—Mrs. John Walker, 223 Belmont avenue, Winnipeg. Husband earning 30 cents an hour as night watchman for Imperial Oil Company, which amounts from \$72 to \$84 a month. As long as he is able to earn this, Committee cannot recommend pension, but would suggest to the Pension Board that if father is unable to earn, or if his earnings are materially decreased, that they take the question of pension up again.

Miss Alice Winstanley, Sydney Mines, N.S.—No. 222327, Pte. Fred. Cranton, killed in action. Submitted by Mr. D. D. McKenzie, M.P. See clause 2, section 23, with reference to this. Child was not supported by supposed father either previous to enlistment or after. Pension Board claim they have no right to grant pension. This case to be considered by Main Committee.

No. 428260, Pte. Amédée Dostie, 7th Battalion, C.E.F., killed November, 1915. Case of orphan daughter, Miss Cecilia Dostie. Submitted by Dr. Béland, M.P. Would suggest that Pension Board reconsider this case.

Elizabeth J. Leslie, Guelph, Ont.—Widowed mother of Lieut. W. B. Leslie, 44th Battalion, France, killed at Cambrai, and Lieut. G. F. Leslie, killed at Passchaendale, October 26, 1917; daughter Ella at home. Would recommend that Pension Board review this case again as to the income of the mother.

No. 1000491, Pte. Henry F. Roberts, Souris, Man.—Mrs. Roberts was an applicant for pension on December 21, 1921. Recommend that Pension Board have this case reviewed.

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No. 213245, J. Hudson, Collingwood, Ontario.—Discharged October, 1917—Five per cent pension. Re-enlisted and was again discharged April 16, 1918, with no disability; no pension awarded. Complained again; medical certificate was submitted which brought forward no additional information. Complained again and brought forward another medical certificate; no additional information. Case brought to the attention of the Committee by Col. Currie, M.P. Reported to Toronto, December 3, 1920; was notified, however, that if it was proved he had no disability, his expenses would not be paid. Had been examined four times (twice by his own physician), and found no disability. No recommendation.

No. 687376, James Stanley Janes, 2nd C.M.R.—Enlisted December, 1915, killed September, 1918. Submitted by Col. Peck, V.C., M.P. No recommendation.

J. W. BRIEN,

E. W. NESBITT,

A. B. COPP,

Members of the sub-Committee.

SUB-COMMITTEE ON SPECIAL CASES

Second Report

COMMITTEE ROOM, April 13, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment:

We, your sub-Committee on Special Cases, beg to submit our Second Report. We have considered the following cases, and beg to report as follows:—

Mary A. Knight. Pension awarded in 1917 on misrepresentation of facts; pension cancelled October, 1920. Mary Knight was married to a man named Rennie in 1891, who left her in 1902. Met Knight later and married him. Knight enlisted and was killed; he assigned pay to her in 1917. Her first husband was living in the same city at the time. No recommendation.

No. 1012389, Pte. George Murray, 225th Bn., Haileybury, Ontario. Submitted by Mr. MacNeil, of the G.W.V.A. This is a case of an Imperial man who wants his time in the C.E.F. added to Imperial service and thereby increase his service pension. We have no control over this class of case; belongs to the Militia Department. No recommendation.

No. 475448, Pte. Roy H. Kelly, deceased. Widow and one son; receive no pension. Submitted by J. R. Wilson, M.P. Enlisted in C.E.F. in 1915, discharged November, 1918, joined R.A.F. and was discharged September, 1919. The following spring he killed himself by shooting. Pension Board have submitted his case to Imperial authorities, but have not heard with reference to same. Was not pensionable in our service, hence no recommendation.

No. 25851, Gnr. Robert Pearson, R.F.A. Called for service August 4, 1914, discharged January, 1919. Has wife and two children. Was in D.S.C.R. from January, 1920, to November, 1920, for tuberculosis. Was discharged from sanatorium and case reported to Ministry of Pensions in England who replied that pulmonary tuberculosis could not be considered as either due to or aggravated by military service in view of the fact that nearly five years had elapsed since the man had influenza or other relevant illness. Bring this case to attention of the Main Committee.

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- No. 754171, Pte. N. Charette. Submitted by Mr. MacNeil, of the G.W.V.A. Now in Keith sanatorium near Calgary. Getting pay and allowances. No further recommendation.
- No. 1027663, Pte. Arthur Atlee. Submitted by Mr. MacNeil, of the G.W.V.A. This is a case of a man who enlisted and was blind in one eye when he enlisted, according to the medical reports of enlistment. He deserted and afterwards joined the Forestry Corps whose rules did not prohibit a man with only one eye from joining. Afterwards discharged, medical reports showing that there was no aggravation as he was blind when he first joined. No recommendation.
- Lt.-Col. Paul Weatherby, R.C.E., Wolfville, N.S. Submitted by Mr. MacNeil, of the G.W.V.A. Question of long service pension; Pension Board distribute these pensions but do not fix them,—they are fixed by regulations of Militia Department, Pension Board being instructed by them as to what amount to pay. No disability and therefore is simply entitled to long service pension.
- No. 123573, Pte. Alfred Pugh, London, Ontario. Enlisted in 1915, discharged January, 1918, as medically unfit for military service. Was first pensioned for aggravated disability of his ear. After Order in Council of January, 1919, which cancelled the aggravation clause, he was pensioned for his full disability under that head and is now receiving pension in accordance therewith. Claims he has heart trouble as well; doctor's report does not show any. Recommend immediate review by Pension Board.
- No. 3032072, Pte. Leroy Taylor, London, Ontario. Killed September, 1918. Mother claims that she has had no separation allowance nor gratuity for son's war service. We will take this matter up with the separation allowance office.
- No. 820505, Pte. W. A. LaChance, 141st Bn. Case of widow applying for pension; case of desertion and non-support. Did get separation allowance after she learned that husband had enlisted. Husband returned, worked in the bush, saved some money and came back and lived with his sister in Hull: did not give anything to his wife. After his discharge, she got separation allowance through her son, and she made an affidavit that this son was her sole support for sixteen years, and the son has of course since been discharged. She works at the Supreme Court. No recommendation.
- No. 437575, Pte. J. M. Goode. Case of orphan children. Oldest daughter is keeping the other children, and she is being pensioned at orphan rates as well as the other children, and is keeping the family together by that means. Can do nothing further for them under the Act.
- Q.M.S. K. McKinnon, R.C.H.A., Kingston. Case of permanent force service pension. Wants old permanent force pension raised to present standard. No recommendation.
- No. 90113, Pte. N. Sprague, London, Ontario. Foster grandmother claiming pension for keeping this man's two adopted children. He sent her money when he was at the front for the maintenance of the children, since his death the children have been put in the Indian Industrial school. The Department pays \$54 a month to the Ontario Soldier's Aid Commission for the upkeep of the children, and they have had no complaints that the children are not properly looked after. Foster grandmother is not entitled to pension, as her husband is living. Since the Department has been looking after them, they have saved considerable money over and above the cost of maintenance at the Industrial School for the children.
- Mrs. Louisa C. Rae, 30 Ivy Avenue, Ottawa. Widow of Sgt. W. H. Rae, No. 2126. Lived in Canada and joined South African Constabulary; was killed. Is drawing pension from the South African Government according to their rates. No recommendation.

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Cecilia C. Mowll, married to Sidney E. Mowll, No. 147800, on eve of his departure for overseas. Killed in June, 1916. This woman was earning a good salary, never claimed separation allowance nor got assigned pay; nor did she claim pension until a younger brother claimed pension for the soldier's mother. She then claimed pension but not for four years, and thus was barred by the Act, section 13, which states that claim must be made within three years. She is also barred by section 33, with the exception of one clause. No recommendation.

No. 410176, Pte. William Poynter, Montreal. In a letter dated March 16, 1921, states he had two sons killed in the war. According to papers Mrs. Julia Poynter was granted a dependent's pension; afterwards cancelled as husband retained the money and she got no benefit. He is earning his living. Recommend that Pension Board carefully review this case.

George Burns, 583 Dundas Street East, Toronto, in a letter of February 23, addressed to Thomas Foster, M.P., states he had no separation allowance. Last year he was earning \$15 a week and had one son at home earning \$80 a month. Recommend that Pension Board get recent review of this case and see if there is any change.

No. 1866, Pte. Michael Garvan, enlisted 1914, discharged 1918; discharged to D.S.C.R. for treatment, disabling condition incipient tuberculosis. As a matter of fact, the man had been in hospital ever since the 10th May, 1917. Discharged from hospital March 31, 1920 and awarded pension at the rate of 100 per cent. Re-examined October 21, 1920; pension reduced to 50 per cent. Since that time has been re-examined by specialists and pension fixed at 100 per cent. Requires no recommendation.

No. 841961, Pte. W. Agnew, 148 Bn. Enlisted March, 1916; discharged April, 1919, as fit, being stated to have had no disability. He was admitted to D.S.C.R. as tuberculous case and was discharged March, 1920, and as signs and symptoms of disease had appeared within a year of discharge, pension was awarded at rate of 100 per cent, the man receiving \$137 per month. No recommendation.

E. W. NESBITT,

J. W. BRIEN,

A. B. COPP,

Members of sub-Committee.

SUB-COMMITTEE ON SPECIAL CASES

Third Report

COMMITTEE ROOM, April 15, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment:

We, your sub-Committee on Special Cases, beg to submit our Third Report. We have considered the cases hereunder set forth and beg to report as follows:—

No. 243012, Pte. Alex Joseph Chapleau, 206th Bn. This man had tuberculosis previous to enlistment which was on the 23rd of February, 1916. Was only in training a month when he broke down and was sent to sanatorium at St. Agathe. He had no increase of disease through service. Was finally discharged from sanatorium in October, 1920, and was awarded a pension of 50 per cent. As there are several cases of this kind who were suffering when enlisted and really did no military

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service but had been kept in sanatorium under pay and allowance for generally a long time and then discharged with part pension, and as they are not entitled, under the Act, to full pension unless they saw actual service in the seat of war, the Committee better consider this class of case. We make no recommendation for increase.

- No. 3163308, Pte. W. Melard was attested under Military Service Act on June 17, 1918. About a week's service. Was found to be suffering from active tuberculosis. Was first awarded a pension of 100 per cent which was continued until December, 1918. Sent to sanatorium. Discharged from same in July, 1919. Given a pension of 25 per cent. In the same class as above. No recommendation.
- No. 2006047, Spr. W. J. Brocklebank enlisted on the 13th of June, 1917. Showed symptoms of tuberculosis in September, 1917, and was sent to sanatorium on the 28th of October, 1917. He served all told about a month. He was discharged from sanatorium on December 3, 1918, and awarded a pension of 25 per cent. Same class of case as the two above.
- No. 34, Pte. A. H. Garner, Toronto. Enlisted December 3, 1914. Was discharged 25th of March, 1919, as A1. Was given vocational training. Was examined in Toronto, January 11, 1921. No disability. He claims allowance for slight rupture, but his main complaint is that he did not get pay and allowance from the time he made application for vocational training until he was taken on. As there is apparently nothing the matter with him, we cannot recommend any pension.
- No. 273357, Sergt. E. J. Couch. Enlisted April 1, 1919. Served in Canada and England. Claim submitted by J. F. Marsh. This man saw service only in Canada and England and is supposed to be tuberculous. Doctors in Toronto recommend X-Ray examination. We concur and recommend Board to have same done.
- No. 623121, Pte. James R. Bastien. 44th Bn., Toronto. Complains of loss of sight. Doctors who examined him state that he cannot distinguish green. Other colours he can. Doctors examining claim no disability through service. No recommendation.
- No. 1100017, Pte. Lombard. Submitted by C. G. MacNeil. Man is not pensioned. Claims pension as epileptic. Specialists claim that he is not epileptic but his condition is hysterical. He has received treatment. We recommend that the Board have him further examined, which they are prepared to do.
- Thos. W. Ansell and Mrs. Ansell, Montreal. Widow with six children. Enlisted 7th May, 1919. Discharged 18th August, 1919. Then enlisted in the Permanent Force. This case seems to be very much mixed up. The woman had been receiving assistance from the Patriotic Association and it was stopped because the man had never served overseas. He died from pneumonia. We recommend that the Pension Board carefully re-examine this case as the facts do not seem very clear.
- A. J. Woods, Moncton, N.B. This man was originally in receipt of 10 per cent pension but this was discontinued over a year ago. He saw active service for four years and four months and was discharged as medically unfit. He has been requested to go to hospital for operation but refuses. It appears that he is not at the kind of work that he is inconvenienced in doing by his trouble. We recommend further investigation by the Board and endeavour to get him to take the operation required.
- No. 2186, Pte. W. R. Watson, Winnipeg. Submitted by Major Andrews. This man enlisted in the Permanent Force in 1912. Discharged as medically unfit in 1915. Was awarded 3rd degree pension of \$75 per annum. Subsequently raised to \$20

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a month. Pension reduced afterwards to \$6.25 per month as he had never served in the C.E.F. and was entitled only to pension under the permanent list for long service. Recent intimation has come to the Board that he had joined the C.E.F. and they are now investigating it. No further recommendation at the present.

Mrs. X, submitted by Mr. Morphy. A widowed mother. Originally belonged to the C.E.F. Took discharge. Joined Flying Corps. Qualified as Lieutenant and was killed. If Mr. Morphy will give the Pension Board name of the widow, they will take the matter up with the Imperial authorities, as it is through them that she will be pensioned, if at all.

Louise E. Fletcher, Vancouver, asks why the ruling that affects widows whose husbands died subsequent to discharge and from natural causes previous to the Order-in-Council granting gratuity, should get gratuity allowed them as per our recommendation of last year, and not the widow of the man killed at the front. The reason is that the widow of the man killed in service gets pension. The other woman got nothing.

2nd Lieutenant K. W. Acres, R.A.F. Submitted by Mr. Morphy. This man came from Ohio. Joined the R.A.F. When discharged got gratuity of £176 17s. 11d. Cashed at the Cleveland Trust Company, claims he only got \$664.67 when he should have got \$866 and that he should have the difference made up. In 1919 the Committee recommended that the loss by exchange to Imperial soldiers paid by Imperial funds should be reimbursed, but only if they were residents of and domiciled in Canada previous to enlistment and afterwards returned to Canada and resided, so that this young man, though born of a Canadian mother, enlisted from the United States and returned to the United States, he does not come under the Order-in-Council covering same.

272468 Cadet Edmund George Moorehead and Mrs. Moorehead, his mother, of London, Ont. Another case of Imperial enlistment. Was a cadet. She gets a pension of 5 shillings a week and when that was allowed, her husband was alive. Her husband has since died. We recommend that the Board investigate this matter and take it up with the Imperial authorities.

10154718 and 143718, Henry Perdue. Submitted by Dr. Leaming and Dr. Blake, M.P. Case of desertion. According to last letter written to his wife he was at Shorncliffe and was sick, and expected to leave for home shortly. You will note that he has two numbers. No recommendation.

Mrs. Elizabeth Elliott and Mrs. James Davey. Applying for further pension. Submitted by Mr. E. C. McKenzie, barrister, and Mr. Buchanan, M.P., both of Lethbridge. They are applicants for increase of pension. Mrs. Elliott resides in England and is receiving \$24 a month which is very much in excess of what she would receive from England, which would be about \$7 a month. No recommendation.

Mrs. Davey lives in the west. Gets \$45 per month. Under the Act she cannot be allowed any more unless she is incapacitated. There is nothing to show that she is. No recommendation.

Orphan children of late Alvin Ripley, Lethbridge. Submitted by Mr. E. C. McKenzie, barrister, and Mr. Buchanan, M.P., Lethbridge. These three children are getting full orphan rates and according to the visitor of the Board are in comfortable circumstances. In any event, they are getting all that can be given under the Act. No recommendation.

No. 523142, James Foster, 5th Canadian Mounted Rifles. Refuses treatment. Pension cut in half for so doing. His trouble does not inconvenience him in the work he is at; therefore the refusal. No recommendation.

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- No. 192129, Andrew Long, Kamloops. Father claims pension on account of his son. Mother already pensioned. Cannot give father a pension. Only thing would be to divide same. Nothing to show that this should be done. No recommendation.
- Mrs. A. Wilkinson, Barrie Island. Submitted by Mr. Nicholson, M.P. Has two boys at home. Is 47 years old. Has a farm of 100 acres and states that she has an income over expenditure of \$420 a year from the farm. Recommend that case be reviewed.
- Mrs. Mary Nugent. Case submitted by Mr. Marsh. Refused to give visitor any information as to her circumstances. Was keeping a rooming-house. Visitor could only get information from neighbours which did not show she was in need, and her husband is alive. Well dressed and of healthy appearance. This is the case that Mr. Marsh reported that the visitor was impudent. No recommendation.
- Mrs. B. H. Peters, Rossland, mother of the late Lieut. G. H. Peters, 7th Bn., and the late No. 17417 Pte. J. F. Peters. Is now getting full pension. Wants pension for her sub-normal son who also served. The Board did not think the case is within the Act. No recommendation.
- No. 688222, Sergt. Wm. Joseph Butler. Submitted by Hon. Mr. Lemieux, M.P. Wife re-married. Children pensioned full orphan rates. No recommendation.
- Widowed mother of Sergt.-Major N. Brummelle. Submitted by Hon. Mr. Lemieux, M.P. Claims pension through her son who enlisted December 4, 1914. Discharged May 21, 1919, medically unfit. Chronic bronchitis. Was awarded a disability pension of 25 per cent. He was drowned July 3, 1919. Mother is not entitled to pension under the Act. No recommendation.

E. W. NESBITT,

J. W. BRIEN,

A. B. COPP,

Members of the sub-Committee.

SUB-COMMITTEE ON SPECIAL CASES

Fourth Report

COMMITTEE ROOM, April 21, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment.

We your sub-Committee on Special Cases beg to submit our Fourth Report. We have considered the following cases and beg to report as follows:—

- Lt. C. E. Richardson, said to be in Osteopathic Hospital, Toronto. Submitted by Mr. Green, M.P. Claims that he has not received difference between civilian pay and pay and allowance under the D.S.C.R. Before discharge he was entitled to civilian pay as he had been a Government employee, but after discharge and on going to the D.S.C.R. he was only entitled to pay and allowance while he stayed with the D.S.C.R. He is not now in hospital but is working in the insurance business though still under pay by the D.S.C.R. Has not applied for nor been considered for pension by the Pension Board. If eligible for pension his case should be considered at once.

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- No. 1031339, Pte. C. F. Hopkins.—Enlisted September 3, 1917. On 18th November went to hospital with sore throat. Recovered. Discharged December 3, 1917, as not likely to become a satisfactory soldier. Department did not hear from him again until August, 1919, when he was sent to sanatorium. Department files do not agree with claim. They show that this man was not in any way injured on service and never went out of Canada. Board at present investigating.
- No. 6804, Pte. John C. Howman, 1st Bn.—Submitted by J. F. Marsh. Enlisted August 14, 1914. Discharged April 18, 1919. Received pension for some time; afterwards cancelled, upon report of district doctor. Pension Board have had no complaint from this man. We recommend further review.
- Captain Oscar L. Erickson.—Submitted by Mr. Andrews, M.P. This man is a double amputation case. Received full pension and had helplessness allowance for six months. We recommend that the Pension Board again review and also reconsider the amount of the helplessness allowance for double amputation cases.
- No. 701163, Pte. William Lester.—Submitted by Mr. Blake, M.P. Case of man married after discharge. Died after discharge. One child, pensioned. Widow claims pension which can not be granted under the Act. No recommendation.
- No. 419418 Pte. G. W. Chew.—Submitted by Mr. Caldwell, M.P. Asks for Vocational Training. This man was an Imperial Soldier. We have no control under the Act. No recommendation.
- No. 436241 Pte. Henry Spelman.—Submitted by C. G. MacNeil. Enlisted January 7, 1915. Discharged December 24, 1915. Service in Canada. Complaints of rheumatism. Had operation for appendicitis four years after discharge. Claims pension. No recommendation.
- T. E. Anderson, 33rd Battalion, London, Ont.—Enlisted January, 1915. Discharged November 6, 1915. Immediately enlisted in the Permanent Force. He was sent to Byron Hospital for some minor cause, and as the hospital was full, Anderson was allowed to go home. Drank Columbian spirits which blinded him. Pension is claimed by him whether his disability is directly or indirectly attributable to service, he says. But as his blindness was caused by misconduct, pension cannot be awarded under the Act. We would suggest that the municipality take up this case.
- No. 441525 Pte. Emile Dufresne, St. Prime, P.Q.—Submitted by Mr. Savard, M.P.—Case of father applying for pension through son killed in action. Pension Board can get no intelligent response from either Curé to whom they applied nor from the Bank Manager in the locality. They are still looking into it trying to get particulars.
- C. J. Leslie Whitaker, Timiskaming. This is a case of Long Service pension. Belongs to the Militia Department. We have no control of same. Secretary should submit same to Department of Militia and Defence.
- No. 294245 Pte. W. J. Rowley. Enlisted 19th April, 1916. Discharged 31st March, 1919. Saw service in Canada, England and France. Case to be investigated by the Pension Board.
- No. 145555 Pte. W. J. Meagher, 77th Bn., C.E.F. Enlisted 26th November, 1915. Discharged 23rd December, 1918. Fifteen per cent disability. Wants commutation of pension. Can not do so under the Act. No recommendation.

E. W. NESBITT,
A. B. COPP,

Members of the sub-Committee.

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SUB-COMMITTEE ON SPECIAL CASES

Fifth Report

COMMITTEE ROOM, April 29, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment:

We, your sub-Committee on Special Cases, beg to submit our Fifth Report. We have considered the following cases and beg to report as follows:—

Capt. Lynn Campbell, Toronto.—Submitted by Mrs. M. Campbell, 39 Arthur avenue, Hamilton, his mother. Son joined R.F.C. on 19th of May, 1917, and was killed October 9, 1918. She is receiving a pension of £72 from the Imperial Government a year. Is a widow, and received separation allowance. We do not understand how this came about, as the Imperial authorities do not grant separation allowance to dependents of men in the Flying Corps. However, as the Pension Board have a right to do so under the Act, they will supplement the pension.

No. 125495, Ex-Pioneer Terence Glazier, Royal Engineers, Brockville.—Submitted by Dr. Béland, M.P.—This man was a Fenian Raid veteran, but as he received no disability from the Fenian Raid is not entitled to a Fenian Raid pension. He is an Imperialist and for a short time received a pension for rheumatism which was discontinued. He did not give continuous service, therefore not entitled to Long Service pension, and is one of the many cases that does not come under the Act. No recommendation.

No. 504853, W. W. Southin, R.R. No. 2, Ladysmith, B.C. Pension reduced in 1920.—Complains that it was reduced after cursory examination by Dr. Fowler. We find that he was in hospital for two months under observation, was re-examined January, 1921, by three specialists whose report corroborated with the previous report. Now pensioned at 20 per cent in full under the Act for his disability. No recommendation.

No. 925319, Pte. Lorne V. Ings, Carlyle, Sask. Submitted by Mr. Gould, M.P.—Claim is for medical treatment amounting to \$290.30, which, in the opinion of the municipal council, Saskatchewan, should be paid. We find this man was discharged on April 30, 1919, physically fit. More than a year after discharge he contracted sleeping sickness from which he died. Had been treated in Earl Grey Hospital. Died in Regina Hospital. As he was physically fit when discharged and did not show any symptoms of disease until over a year after discharge, he is not eligible under the Act. No recommendation.

No. 126909, Pte. H. A. Looker.—Submitted by Mr. MacNeil, G.W.V.A.—He sets forth that the mother is a widow suffering from tuberculosis. Has been unable to work since June, 1920. Complaint is that mother has been refused pension. We find that when this soldier died he left a widow who was pensioned. Widow subsequently died. At the time, the mother was not dependent as her husband was alive, and he subsequently died. The mother and daughter are earning \$24 a week. We recommend that the Board investigate and if they find the facts as stated that the mother is ill, that she be pensioned under Clause 34-3, which we recognize will be a little irregular.

No. 769258, Pte. Edward H. McIntyre, 124th Battalion.—Submitted by Mr. Marsh, G.A.U.V.—Enlisted December 25, 1915. Discharged March 9, 1918. (Widow, three children). On discharge he awarded pension at the rate of 25 per cent for disability due to limited movements of the left elbow, following gunshot wound and

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debility due to neurasthenia. Re-examined December 3, 1913. Condition of neurasthenia had improved. No evidence of any heart condition. Pension continued at the rate of 20 per cent. Died suddenly April 18, 1919, from a fracture of the skull caused by a fall, which the coroner's inquest certified to have been accidental. Post-mortem examination indicated a fracture of the skull as the cause of death and showed that the heart was normal. In an effort to substantiate dependent's claim to pension, some doubt was cast upon the coroner's finding and the post-mortem report, but no evidence whatever was produced to indicate any reason for considering the cause of death other than established by the inquest findings; and it was considered established that the cause of death was due to accidental injury occurring post-discharge, and not in any way whatever related to service. As death was not traceable to service; case does not come under the Act.

No. 859552, Pte. Cecil Down, 179 Battalion, Alameda, Sask.—Submitted by Mr. Gould, M.P.—It is claimed that this man received his honourable discharge, afterwards met with an accident in March, 1921, which necessitated an amputation of his arm and should be pensioned. We find he was enlisted on January 5, 1916. Discharged August 23, 1919, physically fit. March, 1921, nearly two years afterwards, met with accident. Lost arm. Not within the Act. No recommendation.

No. 2476334, Pte. John B. Mulaire, 78th Bn., St. Pierre, Man.—Submitted by Mr. Molloy, M.P.—Claim is that the father should be pensioned as the son is deceased. Said to have wife and eight children. Works for \$17 a week and boards himself. We find pension was being paid at \$18 a month. He was earning \$68 per month. Pension was granted on account of the children, but was cancelled because it did not come within the Act. We recommend Pension Board review this case and see what the man is now earning and establish the ages of the children and see whether they are old enough to assist.

Warren Brereton, 151st Bn., Andrew, Alta.—Submitted by Mr. White, M.P.—Claim is man badly wounded when he returned to Canada. Died during last winter in local hospital, leaving wife and child, who are applicants for pension. We find soldier enlisted March 23, 1916, discharged April, 1919. Had ring-worm, mumps, and gunshot wound in back. Three months after discharge claimed he had a pain in back. Took ill in June, 1920. Operated on for tubercular appendicitis. Found to have tuberculosis of the chest. We recommend that the case be re-considered as it looks to us as though the man may have received disablement during service which was traceable to his death, and perhaps should be pensioned.

No. 757521, Pte. David R. Ewing. Submitted by Mr. W. S. Dobbs.—Claim is man is granted 60 per cent pension for his right leg, 10 per cent for his foot. Afterwards allowed 15 per cent. Increase of 5 per cent. Thinks he should get 95 per cent. We find this man enlisted January, 1916, discharged December, 1919. Disability amputation right thigh, lower third, slight weakness of left foot following fracture. Awarded 70 per cent pension. Re-examined January, 1920. Pension increased to 75 per cent and made retroactive. Case being again reviewed. No recommendation.

No. 6152, Pte. F. J. Neyland, R.C.H.A., Hamilton.—Submitted by Mr. Dobbs. Claims that his man saw service in France, was kicked by one of the horses belonging to the cavalry but neglected to report it. Foot amputated 8 inches below knee. Pension refused on account of being post war discharge. We find enlisted December 5, 1914, discharged May 31, 1919, physically fit. Six weeks in hospital during service in 1918. Was treated as out-patient in Hamilton in September, 1919. Afterwards had amputation below knee as stated. Nothing traceable however to service. Therefore does not come under the Act. No recommendation.

APPENDIX No. 2

C. M. Lugin, A.C.E.F.—Canadian residing in New Hampshire. Submitted by Mr. Dobbs. This is a case of complaint of exchange on pension and not receiving the last bonus which was only applied to men residing in Canada. Claims that he should get more helplessness allowance. He gets at present full pension according to the Act, \$60 a month, and \$250 helpless allowance. This, like several others, is a case that the full Committee must consider as to the additional bonus being applied to men residing outside of Canada.

Pte. George E. Buck (P.B.C. 350).—Submitted by Mr. Dobbs. Case of multiple disability, head wounds, loss of eye, loss of left leg. Present pension 65 per cent. We recommend that this man's case be reviewed and that he be re-examined. If facts are as stated, pension might be increased.

Lieut. Elmer McLeod Ronand, 20th Battery.—Submitted by Senator Donnelly. Wife claims pension. We find he enlisted 9th June, 1916. Discharged physically fit 12th June, 1919. Died 22nd May, 1920. Was married after discharge in January, 1920. Pension Board have had no previous application for this case and will have it looked into. You will note that he was married nearly a year after discharge and shortly before death.

No. 622608, Cpl. John L. Young, 44th Bn.—Submitted by Dr. Blake, M.P., who claims dependents should receive pension which has been refused. We find he enlisted May 23, 1915. Discharged 14th June, 1919, as physically fit. Died September 26, 1920, of syphilitic antiko. No recommendation.

No. 248475, Pte. B. McSorley, 3rd Reserve Battery.—Submitted by Mr. Fred Williams, Toronto. Mother claims pension. Enlisted 10th August, 1916. Discharged 29th April, 1919, as physically fit. Took sick October, 1920. Admitted to hospital December 22, 1920, acute tuberculosis. Died 30th January, 1921, said to be acute heart disease. Father and mother live in Glace Bay; boy 15, daughter 17, and some younger children. Earning \$612 a year. This case is like many others of men who were discharged apparently fit and afterwards took sick. Whether their trouble was traceable to service or not is a question. In this particular case the parents are earning their living and do not come under the Act under dependent condition clause. Pension Board better review.

W. Edgar Spear, San Francisco.—(Pension No. 44122).—Submitted by Amputation Club, Vancouver, to Colonel Cooper. This is another case of cost of exchange and not full bonus. His disability is in left arm above elbow, middle of right finger and middle of index finger. Gets 100 per cent pension. Wants attendance allowance. Pension Board is having case reviewed.

No. 283139 Pte. William Everett Hardacker, 85th Bn., Melanson, King's County, N.S.—Father claims pension. We find no claim for pension traceable. Board will investigate at once.

No. 183927 Pte. A. Kennedy.—Case of Separation Allowance and gratuity. Have written Mr. Cox.

No. 5326 Spr. Herbert Young.—Submitted by James Hawkins. Widow applicant for pension. Enlisted September 22, 1914. Went overseas and to France. Wounded January, 1916. Sent to hospital while there. Afterwards re-joined Battalion. Took sick; sent back to hospital in England, April 4, 1916, suffering from Diabetes. Married June 24, 1916 (please note while under treatment.) Sent back to Canada and died February 1, 1921, of diabetes and touch of heart trouble and tuberculosis. As the woman married this soldier when he was practically in hospital or being treated for the disease from which he died, pension was refused under clause 33-1 of the Act.

No. 122732 B. P. C., Frank McGeary.—Submitted by Major Andrews, M.P. Claims pension and that he is suffering from heart disease. We find he enlisted January

12 GEORGE V, A. 1921

23, 1916, and was discharged 29th of August, 1917. Medically examined and found to have heart trouble. Went to hospital second time August 27, 1920, until January 3, 1921. Sickness not attributed to service. Was in hospital 6 months out of 18 months' service, which was in Canada and England. No recommendation.

No. 3380941 Ex.-Cpl. F. A. Lavoie.—Submitted by Mr. Gauvreau, M.P. Claim is for Doctor's bill. Comes under S.C.R. We recommend that they have the bill itemized and paid in accordance with S.C.R. rates. This man never saw service outside of Canada.

No. 1935 Pte. John Buckley, 6th Field Ambulance.—Submitted by Mr. Morris, Secretary, Patriotic Fund. Claims pension. Enlisted November 20, 1914. Discharged May 24, 1919, as physically fit. Had pneumonia while in service April, 1917. Recovered. Was referred to Dr. Byers, of St. Agathe, who will not say that he had T.B. Says chronic bronchitis. Recommend that Pension Board re-consider.

No. 11320 Pte. C. D. Stodden, 4th Bn.—Submitted by Mr. Morris, Secretary, Patriotic Fund. Enlisted September, 1914. Discharged April, 1917. Medically unfit. Pension \$13 a month. Man is now in sanitarium with tuberculosis. Is 43 years old. No statement as to what complaint is. Pension Board will look him up and find out.

No. 126126 Pte. G. R. Archer, 71st Bn.—Submitted by Mr. Morris. Enlisted September, 1915. Discharged April, 1917. Medically unfit on account of his age. Is now 49. Was treated at Bramshott for rheumatism. Is now said to have lost use of right arm through paralysis. You will please note that he was discharged April, 1917, and as this has occurred long after discharge it does not come under the Act. No recommendation.

No. 526865 Pte. G. W. Smith.—Submitted by Mr. Morris. Enlisted December, 1916. Discharged October, 1917, as result of accidental injury to ankle. Granted pension of \$11 per month at the time, which was afterwards discontinued, disability having disappeared. Claims he has been obliged to stop work on account of swelling of the left ankle. We find that the S. C. R. doctors' report is very full and that they find this man absolutely fit except for a slight pain of an old fracture. We make no recommendation.

No. 3198 Pte. P. W. Davis.—Submitted by Mr. Morris. Said to have been discharged suffering from abdominal wounds for which he gets pension of \$22.75. Complications set in and he was put in hospital on pay and allowance. Discharged from hospital February, 1921, incurable and put back on pension of \$22.75. Pension still remains unadjusted. Pension Board state it has not enough information to trace. Will endeavour to get same and have case reviewed at once.

No. 775875 Pte. Stanley Challoner.—Submitted by Mr. Morris. He claims he was in Davisville Hospital on D.S.C.R. pay and allowance. Died there on December 12. Widow still awaiting pension. Excuse of Board is "waiting doctor's report." Mr. Morris claims that as he died in S. C. R. hospital there is no necessity for delay in doctor's report. Pension Board claims they have a report from S. C. R. doctor, but that he enlisted on the 24th of February, 1916, and discharged in March, 1919, as fit. Awaiting report from his own doctor as to what became of him during the interval before he went to hospital under the D. S. C. R. doctors.

L. V. Thomas, R. C. N., V.R.—Submitted by Mr. Morris. As this case has now been settled between the Pension Board and the Patriotic Fund it is unnecessary to go into it further, but we strongly recommend to the Committee that they recommend that the S. C. R. pay be continued until such time as the Pension Board are ready to take their place.

E. W. NESBITT,
A. B. COPP,
J. W. BRIEN,
Members of sub-Committee.

APPENDIX No. 2

SUB-COMMITTEE ON SPECIAL CASES

Sixth Report

COMMITTEE ROOM, May 10, 1921.

To the Main Committee appointed to consider Pensions, Insurance and Re-establishment:

We, your sub-Committee on Special Cases, beg to submit our Sixth Report. We have considered the following cases and beg to report as follows:

- G. V. Magrane, No. 17769,—widow applying for pension through the death of her husband. Pension has been granted by the Pension Board.
- Pte. Alex. John MacDonald, No. 31158, Royal Highlanders, Ironville, Cape Breton. Submitted by D. D. McKenzie, M.P., to be investigated. His mother has six single sons; the one who was killed did assign pay and was said to be contributing before enlistment to his mother's keep. The sons are all of an age to work. She has two married daughters who are not contributing and one married son not contributing. Has a good comfortable home and fifteen acres of land, and the taxes are very small. Pension Board will have this case re-investigated.
- Pioneer P. A. Monteith, No. 154349, Vancouver. Widowed mother in Knock, Portpatrick, Wigtownshire, Scotland, claiming pension. Has seven houses besides the farm she lives on; has two boys who work on the farm, and a quantity of stock and implements. Son was not materially contributing towards her maintenance, therefore is not considered dependent under the Act. No recommendation.
- Cpl. Geo. Henry Clifford, No. 20, C.A.S.C. Enlisted 7-12-14; discharged 27-5-19, having seen service in England and France and was refused pension on discharge on account of the fact that his defect in vision was due to a congenital condition. He states that he was injured in France in 1916 and his right eye was swollen. There is nothing on his documents to show that such an injury took place, and a specialist's report on his eyes shows that both eyes are normal in every respect except that there is a congenital defect in the formation of the right eye which is not completely corrected by glasses. This condition has been present since birth and his vision at the present time is exactly the same as when he joined the army and any change of his condition while on service is negligible. No recommendation.
- W. J. Evanson, 68th Bn., C.E.F. Claims pension is not adequate. Is receiving \$45 per month which is the full amount he can receive under the Act. No recommendation.
- H. M. Aylett, 258 Maynard St., Halifax, N.S. (Case of long service pension has apparently been referred to the Militia Department and the deputy minister points out that the minimum amount of service required under the Militia Pension Act is 15 years, and this man had served 10½ years. The Militia Pension Act was afterwards amended to make 10 years sufficient service, but at that time this man was not in the Permanent Force, so we do not see where he can be covered. It certainly does not come under our Committee.
- Alice Winstanley,—with further reference to this case, we recommend that the Pension Board get a full report on same, and if in accordance with representations, that the child be pensioned.

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Cpl. Charles G. Searle, No. 45648, Fort William. Submitted by Dr. R. J. Manion, M.P. No record of any permanent disability, and cannot locate the man to examine him. Case of desertion; refer to Main Committee.

E. W. NESBITT,
A. B. COPP,
J. W. BRIEN,
Sub-Committee on Special Cases.

EXHIBIT No. 1

COMMISSIONERS, RETURNED SOLDIERS' INSURANCE

STATEMENT OF APPLICATIONS RECEIVED.—POLICIES ISSUED AND INCOME.—
PERIOD SEPTEMBER 1, 1920—MARCH 14, 1921

(1)

Approved applications received.. . . .	2,447
Sum assured.. . . .	\$7,309,500 00
Premiums received with applications.. . . .	\$64,548 92
Renewal premiums received.. . . .	22,386 91
Total income.. . . .	<u>\$86,935 83</u>

(2)

INQUIRIES *RE* INSURANCE

Number of inquiries regarding insurance received from outside Canada.. . . .	437
Number of inquiries <i>re</i> having insurance premiums deducted from pension.. . . .	600
Total number of inquiries <i>re</i> insurance.. . . .	25,000

(3)

CLAIMS MADE ON ACCOUNT OF DEATH OF POLICY-HOLDERS—
PERIOD SEPTEMBER 1, 1920—MARCH 14, 1921

Total claims received.. . . .	28
Total liability on claims.. . . .	\$121,000 00
Average claim.. . . .	\$4,322 00
Number of death claims settled.. . . .	9
Settled under Section 10 of the Act.. . . .	3
Premiums returned.. . . .	\$39 20
Death benefits paid, 6—value.. . . .	\$5,100 00
Amount applied to purchase an annuity.. . . .	\$20,400 00
Total liability of death claims settled.. . . .	\$25,500 00
Claims awaiting decision under Section 10 of the Act.. . . .	19
Beneficiaries of claims awaiting decision are:—	
Widows of policy-holders.. . . .	10
Otherwise.. . . .	9
Temporary pensions are awarded to widows of policy-holders pending decision under Section 10.	
Death benefits refused as no contract was in existence at death of applicant for insurance.. . . .	3
An average of 55 days has elapsed between application being received in the Department and the death of the policy-holder.	

APPENDIX No. 2

(4)

LAPSES AND REINSTATEMENTS, PERIOD SEPTEMBER 1, 1920-FEBRUARY 28, 1921

Total number of lapses.. . . .	58
Total face value of policies.. . . .	\$162,500 00
Total premiums paid to date of lapse.. . . .	\$591 65

(5)

REINSTATEMENTS

Number of reinstatements.. . . .	13
Total face value of policies.. . . .	\$32,500 00
Arrears paid.. . . .	\$104 78
Interest.. . . .	\$0 65

(6)

NET LAPSES

Total net lapses.. . . .	45
Net face value of policies.. . . .	\$129,000 00

(7)

STATISTICAL INFORMATION—PERIOD SEPTEMBER 1, 1920-FEBRUARY 28, 1921.

TABLE 1.—Table of Policies Issued by Premium Frequency

Premium	No.	Amount	Premiums
Single.. . . .	4	\$ 8,000 00	\$ 2,599 64
Annual.. . . .	245	862,000 00	21,785 52
Half-yearly.. . . .	440	1,395,000 00	42,447 00
Quarterly.. . . .	558	1,696,000 00	40,453 20
Monthly.. . . .	773	2,285,000 00	58,396 58
Total.. . . .	2,030	\$6,121,000 00	\$155,789 14

TABLE 2.—Table Showing Lifetime of Policies

Term	No.	Amount	Premiums
Single.. . . .	4	\$ 8,000 00	\$ 2,599 64
Ten years.. . . .	127	362,000 00	15,461 52
Fifteen years.. . . .	135	363,000 00	11,562 06
Twenty years.. . . .	633	2,053,000 00	51,143 12
To sixty-five years.. . . .	144	424,500 00	9,615 34
All life.. . . .	987	2,920,500 00	65,407 76
Total.. . . .	2,030	\$6,121,000 00	\$155,789 14

TABLE 3.—Table of Policies showing distribution by Provinces. Period September 1, 1920, to February 28, 1921

	No.	Sum Assured		No.	Sum Assured
Prince Edward Island ..	4	\$ 16,000	Saskatchewan.. . . .	135	\$ 436,500
Nova Scotia.. . . .	53	150,000	British Columbia.. . . .	213	649,500
New Brunswick.. . . .	34	128,000	Yukon.. . . .	1	5,000
Quebec.. . . .	209	692,000	North-West Territories ..	..	—
Ontario.. . . .	1,086	3,072,500	Total	2,030	\$6,121,000
Manitoba.. . . .	168	480,000			
Alberta.. . . .	127	425,500			

TABLE 4.—Table of Policies showing distribution by service and sex. Period September 1, 1920, to February 28, 1921

(Male)			(Female)		
	No.	Sum Assured		No.	Sum Assured
C.E.F.	1,902	\$5,730,500	C.E.F..	4	\$15,000
Active Militia.. . . .	8	27,000			
Imperials.. . . .	113	330,500			
Foreign Governments. . .	2	10,000			
Total	2,026	\$6,106,000		4	\$15,000
Grand total.. . . .	2,030	6,121,000			

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TABLE 5.—Table of Policies showing number of policy-holders married, single or widowed. Period September 1, 1920, to February 28, 1921

(Male)			(Female)		
	No.	Sum Assured		No.	Sum Assured
Single.. . . .	621	\$2,050,000	Single.. . . .	..	—
Married.. . . .	1,382	3,990,500	Married.. . . .	3	\$10,000
Widowed.. . . .	23	65,500	Widowed.. . . .	1	5,000
Total	2,026	\$6,106,000	Total	4	\$15,000
Grand total	2,030	6,121,000			

TABLE 6.—Table of Policies showing distribution of policy-holders between pensioners and non-pensioners. Period September 1, 1920, to February 28, 1921

Pensioners.. . . .	865	\$2,510,500
Non-pensioners.. . . .	1,165	3,610,500
Total.. . . .	2,030	\$6,121,000

TABLE 7.—Table of Policies Issued by Former Rank in Military or Naval Forces.

	No.	Sum Assured
Privates.. . . .	1,047	\$2,679,500
Non-commissioned officers.. . . .	526	2,279,500
Lieutenants.. . . .	196	994,000
Captains.. . . .	155	684,000
Majors.. . . .	63	280,000
Lieutenant-Colonels.. . . .	35	167,000
Colonels.. . . .	3	14,000
Brigadier Generals.. . . .	3	25,000
Total officers.. . . .	511	1,958,000
Total other ranks.. . . .	1,519	4,163,000
Grand total.. . . .	2,030	6,121,000

Included in the above are Naval ratings as follows:—Policy-holders, 20; sum assured, \$68,000.

J. WHITE,
Accountant, Returned Soldiers' Insurance.

March 16, 1921.

EXHIBIT No. 2

COMMISSIONERS RETURNED SOLDIERS' INSURANCE

May 17th, 1921.

PERIOD—SEPTEMBER 1, 1920-MARCH 31, 1921

Number of returned soldiers who have taken out Insurance Contracts.. . . .		2,370
Value.. . . .	\$7,072,000 00	
Number of widows who have taken out Insurance Contracts.. . . .		1
Value.. . . .	\$ 2,000 00	
Total premiums received.. . . .	\$ 94,849 21	
Total cost of administration.. . . .	\$ 25,613 48	

DISTRIBUTION OF POLICIES BY VALUE OF POLICIES

500.. . . .	27	\$ 13,500
1,000.. . . .	659	659,000
1,500.. . . .	80	120,000
2,000.. . . .	351	702,000
2,500.. . . .	73	182,500
3,000.. . . .	234	702,000
3,500.. . . .	7	24,500
4,000.. . . .	29	116,000
4,500.. . . .	1	4,500
5,000.. . . .	910	4,550,000
Totals.. . . .	2,371	\$7,074,000

J. WHITE,
Accountant.

APPENDIX No. 2

EXHIBIT No. 3

SYNOPSIS of Amputations and Ankylosis Liabilities. Accountant's Branch of
the B. P. C.

Amputations.....	1889	Present liability..	\$ 1,082,340 00	Proposed liability...	\$1,190,574 00
Approximately (not classified)	260	Present liability..	206,280 00	Proposed liability...	226,908 00
			<u>\$ 1,288,620 00</u>	<u>\$ 1,417,482 00</u>	

Increase..... \$128,862 00

Ankylosis.....	610	Present liability..	\$ 180,450 00	Proposed liability...	\$189,472 00
Approximately (not classified)	100	Present liability..	29,580 00	Proposed liability ..	31,059 00
			<u>\$210,030 00</u>	<u>\$220,531 00</u>	

Increase..... \$10,501 00

Amputations, increase..... \$128,862 00
Ankylosis, increase..... 10,501 00

Total, increase..... \$139,363 00

STATEMENT showing the number of amputations and ankylosis pensions, the yearly liability thereon; and the proposed increase of liability

Amputations				Ankylosis			
Class	Number	Liability	10 per cent increased liability	Class	Number	Liability	5 per cent increased liability
1	78	\$70,200 00	\$77,220 00	1	6	\$5,400 00	\$5,670 00
2	6	5,130 00	5,643 00	2	.....	.....	.....
3	21	17,100 00	18,711 00	3	2	1,620 00	1,701 00
4	38	29,070 00	31,977 00	4	.....	.....	.....
5	96	69,120 00	76,032 00	5	5	3,600 00	3,780 00
6	237	159,975 00	175,972 00	6	14	9,450 00	9,922 00
7	107	67,410 00	74,151 00	7	7	4,410 00	4,631 00
8	596	348,660 00	383,527 00	8	9	5,265 00	5,528 00
9	270	145,800 00	160,380 00	9	29	15,660 00	16,443 00
10	54	26,730 00	29,403 00	10	7	3,465 00	3,638 00
11	47	21,150 00	23,265 00	11	51	22,950 00	24,098 00
12	3	1,215 00	1,336 00	12	10	4,050 00	4,253 00
13	335	120,600 00	132,660 00	13	54	19,440 00	20,412 00
14	.....	.....	.....	14	34	10,710 00	11,246 00
15	1	270 00	297 00	15	76	20,520 00	21,546 00
16	.....	.....	.....	16	83	18,675 00	19,608 01
17	.....	.....	.....	17	159	28,620 00	30,051 00
18	.....	.....	.....	18	28	3,780 00	3,969 00
19	.....	.....	.....	19	27	2,430 00	2,551 00
20	.....	.....	.....	20	9	405 00	425 00
Total.....	1,889	\$1,082,340 00	\$1,190,574 00		610	\$180,450 00	\$189,472 00

Average Amputation Pensions—\$573 plus 10 per cent—\$630.30.

Average Ankylosis Pensions—\$295.80 plus 5 per cent—\$310.60.

IN ADDITION TO THE ABOVE, THE FOLLOWING ARE NOT YET CLASSIFIED.

Amputations—360—\$206,280 plus 10 per cent—\$226,908. Ankylosis—100—\$29,580 plus 5 per cent—\$31,059.

Present Liability.....\$ 1,498,650 00
Proposed Liability..... 1,638,013 00

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EXHIBIT No. 4

THE BOARD OF PENSION COMMISSIONERS FOR CANADA

Pension Report,—Prepared for the Special Committee on Pensions, Insurance and Re-Establishment:—

May 20th, 1921.

Question No.	March 31st, 1921		March 31st, 1920	
	Pensions awarded	Liability	Pensions awarded	Liability
		\$ cts.		\$ cts.
1. Total pensions awarded—Liabilities therefor (not including cost of Administration).....	70,714	31,251,488 66	87,026	25,176,267 91
3. No. of pensions awarded to disabled members of the forces (men)—Liability therefor.....	51,156	18,136,884 16	69,011	14,300,018 41
4. No. of pensions awarded to Nursing Sisters—Liability therefor.....	206	37,080 00	195	35,100 00
5. No. of pensions awarded to widows without children—Liability therefor.....	1,381	1,005,368 00	1,832	1,088,208 00
6. No. of pensions awarded to widows with one child—Liability therefor.....	3,689	3,349,612 00	3,580	2,706,480 00
7. No. of pensions awarded to widows with two children—Liability therefor.....	2,281	2,399,612 00	2,252	1,972,752 00
8. No. of pensions awarded to widows with three children—Liability therefor.....	1,268	1,486,096 00	1,270	1,234,440 00
9. No. of pensions awarded to widows with four children or over—Liability therefor.....	1,064	1,391,322 00	1,132	1,361,766 00
10. No. of pensions awarded to widowed mothers—Liability therefor.....	6,439	2,514,610 00	5,028	1,706,018 00
11. No. of pensions awarded to dependent parents (fathers)—Liability therefor.....	2,068	586,866 50	1,605	464,785 50
12. No. of pensions awarded to dependent brothers and sisters—Liability therefor.....	186	30,286 00	176	25,156 00
13. No. of pensions awarded to orphan children—Liability therefor.....	980	309,216 00	938	278,760 00
14. No. of pensions awarded to orphan brothers or sisters—Liability therefor.....	14	4,536 00	10	2,784 00
15. No. of totally disabled, receiving helplessness allowance—Liability therefor.....	338	119,342 14	310	89,516 12
16. No. of persons who, under Section 41 of the Act were awarded one year's pension as a final payment—Amount paid therefor.....	747	494,640 00	897	473,184 00
17. No. of supplementary pensions (Disability) payable under Section 46 of the Act—Liability therefor.....	172			
18. No. of supplementary pensions payable to widows and children under Section 26 of the Amending Act—Liability therefor.....	81	29,592 45		
19. No. of supplementary pensions payable under Section 27 of the Amending Act "47 A"—Liability therefor.....	43	4,143 64		
20. No. of pensions payable under Section 27 of the Amended Act "47 B"—Liability therefor.....	105	23,464 00	101	13,594 20
2. Cost of Administration.....		1,500,819 76		2,225,843 42

ESTIMATED FOR FISCAL YEAR 1921-1922:—

Number of Disability Pensions—45,000 Estimated Liability.....	\$16,036,884 16
Number of Dependent Pensions—18,500 Estimated Liability.....	14,493,475 22
	<u>\$30,530,359 38</u>

Question No. 15 Liability for Special Allowances is also included under Liability in Question No. 3.

EXHIBIT No. 5

STATISTICS of D.S.C.R.—Re Treatment, Training, Dental Services, Orthopædic and Surgical Appliances, Unemployment Relief, Loans.

Mr. HUME CRONYN,

OTTAWA, 25th April, 1921.

Chairman,

Parliamentary Committee on Pensions
and Re-establishment.

The statistics given below are made up to March 31st, 1921, which is the last date on which complete figures can be given. In some instances it is possible to give correct figures up to certain dates in April, but I considered it better to bring them all to one date.

APPENDIX No. 2

Treatment Branch

The department has given treatment to 113,402 returned soldiers. Clinical treatments to date 669,654.

At the present time the department is operating 24 hospitals, with a total bed capacity of 5,116.

Total number of patients now on strength of department 6,804.

Dental Services

Total dental operations..	207,308
Total number of cases treated..	17,946

Orthopaedic and Surgical Appliances

Legs (all types)..	6,728
Arms (all types)..	2,011
New socket (leg)..	2,176
Orthopaedic boots..	15,185
Splints..	4,385
Glasses..	13,051
Eyes..	1,569
Rubber goods (suspensories, urinals, knee caps, elastic stockings, etc)..	11,080
Belts (abdominal, nephritic, etc)..	1,989
Facial masks..	13
Repairs on all appliances..	27,885
Misc. New arm parts, etc..	4,497

Training Branch

Number commenced..	50,996
Number completed..	38,994
Discontinued..	9,012
Still in training..	2,990
Number of vocational graduates..	38,994
Number of vocational graduates who were known to have secured employment..	32,559 or 83.50%
Number of vocational graduates who, are now employed..	29,524 or 75.71%

It would therefore appear that there are 9,475 graduates who are unemployed.

Our records, however, show only 6,138 vocational graduates as unemployed, and the difference between these figures namely, 3,337, may or may not be employed, the assumption being that they have been in temporary employment, otherwise they would have applied for relief, and a record would have been obtained.

Of the 6,138 cases shown as unemployed, we have a record of 3,035 having been placed in employment, who would, under normal conditions probably have remained employed.

Cases closed may be classified as follows:—

Employed along lines..	23,773 or 67.92%
Employed along other lines..	8,487 or 24.25%
Total employed..	32,260 or 92.17%
Sick..	490 or 1.40%
Gone abroad..	903 or 2.58%
Unable to trace..	1,056 or 3.02%
Not a success..	192 or .65%
Deceased..	100 or .28%
Total..	35,001 or 100%

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DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT

Unemployment Relief

	Married No.	%	Single No.	%	Total No.	%
Number of Vocational Students.	4,126	30.69	1,873	16.66	5,999	53.34
Number of Pensioners.....	3,202	28.47	2,045	18.18	5,247	46.66
Total..	7,328	65.16	3,918	34.84	11,246	100.00

Average number of weeks men were granted relief, 5.55.

Total amount granted..	\$922,933.70
Average amount granted per man..	82.07
Average amount granted per man per week..	7.46
Average amount granted per man per day..	1.07

The difference between the number of vocational students shown as having received relief and the number of vocational students that are known to be unemployed, is accounted for by the fact that minors who would be registered as unemployed, would not be entitled to relief as they were not disabled and would therefore not be included in the relief figures.

DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT

Vocational Loans

Number of loans granted to date..	1,647
Total amount loaned to date..	595,348.00
Total amount collected to date..	22,893.06
Total amount outstanding to date..	572,454.94

(Sgd) E. FLEXMAN.
Director of Administration.

EXHIBIT No. 6

DEPARTMENT OF S.C.R. OTTAWA—RECORDS DIVISION

SUMMARY OF ACTIVITIES—MARCH 31, 1921

Training, Employment and Loans

Number of men who commenced courses during fiscal year ending March 31, 1921..	6,327
Number of men in training—March 31, 1920..	25,673
Number of men in training—March 31, 1921..	2,990
Number of men who discontinued courses..	9,012
Number of men who completed courses..	38,994
Number of men who secured employment (along lines). 23,956	
Number of men who secured employment (along other lines).....	8,603
Number of men employed..	32,559 or 83.50%
Number of men unemployed (Vocational)..	29,524 or 75.71%
Number of men unemployed (Handicap)..	6,138 or 15.74%
Total number unemployed..	2,982
Total amount of Vocational Loans granted..	9,120
Total amount of Training Pay and Allowance awarded.. . .	\$ 595,348 00
	\$28,806,799 30

APPENDIX No. 2

Medical Treatment

Total number of men treated up to March 31, 1921.. . . .	113,402
Total number of men clinical treatments given up to March 31, 1921.. . . .	669,654
Number of patients under treatment, March 31, 1920.. . . .	7,945
Number of patients under treatment, March 31, 1921.. . . .	6,804
Number of D.S.C.R. Hospitals and Sanitoria, March 31, 1921.. . . .	22
Number of Hospitals and Sanitoria with D.S.C.R., March 31, 1921.. . . .	9
	31
D.S.C.R. bed capacity in Hospitals and Sanitoria, March 31, 1921.. . . .	5,575
Outside bed capacity (under contract).. . . .	1,206
	6,781
Amount of Treatment Pay and Allowance during fiscal year ending March 31, 1920.. . . .	\$ 5,270,003 71
Amount of Treatment Pay and Allowance during fiscal year ending March 31, 1921.. . . .	\$ 4,266,568 13

Dental Services

Total dental operations, March 31, 1921.. . . .	207,308
Total number of cases treated, March 31, 1921.. . . .	17,946

Orthopædic and Surgical Services

Total number of cases issued with—	
Legs.. . . .	2,422
Arms.. . . .	1,056
	3,478
Boots.. . . .	5,842
Minor orthopædic appliances.. . . .	17,634
	26,954

Total expenditure for amputation cases since beginning to March 31, 1921—

	Number	
Arms (including new parts).. . . .	3,334	\$180,411 60
Legs (including new sockets and pegs).. . . .	8,904	472,641 50
Limbs repaired.. . . .	27,875	129,001 66
Total.. . . .	40,113	\$782,054 76
Total number of appliances issued and repaired during fiscal year, March 31, 1921.. . . .		37,135
Total expenditure for appliances issued and repaired during fiscal year, March 31, 1921.. . . .		\$493,152 94

Unemployment Relief up to March 31, 1921

Number of vocational students (single).. . . .	1,873	
Number of vocational students (married).. . . .	4,126	
Total number of vocational students.. . . .		5,999
Number of pensioners (single).. . . .	2,045	
Number of pensioners (married).. . . .	3,202	
Total.. . . .		5,247
Grand total.. . . .		11,246
Total amount granted.. . . .		\$ 922,933 70
Average amount granted per man.. . . .		\$ 82 07
Average amount granted per man per day.. . . .		\$ 1 07
Total cost of administration of D.S.C.R. and M.H.C. to date..		\$8,785,591 32 or 8.6%

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EXHIBIT No. 7

NUMBER of Overseas Returned Men permanently appointed in the Public Service by Order in Council P.C. 2958, December, 1920.

Department.	With Active Service Overseas.	Other Females.	Other Males.	Total.
Archives.....	1	12	2	15
Auditor General.....	7	44	5	56
Inland Revenue.....	12	2	5	19
External Affairs.....		2		2
Finance.....	3	231	15	249
Health.....	9	15		24
House of Commons.....	2		2	4
Indian Affairs.....	4	2	1	7
Insurance.....		1	1	2
Justice.....	1	6	1	8
Labour.....	9	32	1	42
Marine.....	16	24	3	43
Militia and Defence.....	106	122	67	295
Pensions.....	48	150		198
Privy Council.....		1		1
R.C.M.P.....	2	3	5	10
Secy. of State.....	4	18	4	26
Trade and Commerce.....	10	59	5	74
Research Council.....		2		2
Pat. and Copy.....	2	5	3	10
Total.....	236	731	120	1,087

Number of persons with active service overseas given temporary employment in the Public Service—approximately 29,000.

Number of persons with active service overseas given permanent appointments in the Public Service—approximately 9,000.

Sgd. W. FORAN,
Secretary.

April 25th, 1921.

It may be added that several of the larger departments including Customs, Post Office and Interior, have not yet taken advantage of the Order in Council referred to above.

H.Q. 54-21-23-85-18

EXHIBIT No. 8**DEPARTMENT OF MILITIA AND DEFENCE**

OTTAWA, CANADA,
19th May, 1921.

DEAR SIR,—In reply to your communication dated the 18th May,—

(a) During the period 1st April, 1920 to 31st March, 1921, War Service Gratuity was paid to 24,765 persons involving an expenditure amounting to \$4,437,732.15.

(b) This expenditure is divided under the following headings,—

1. 6,653 ex-Imperials, involving an expenditure of \$1,942,308.68.

APPENDIX No. 2

2. 14,259 widows and dependents of those who died on Service, expenditure \$1,609,835.76.

3. 3,853 ex-members of the C.E.F. expenditure,—\$885,587.71.

Yours very truly,

EUG. FISET.

(EUGENE FISET)

Major-General,

Deputy Minister.

V. CLOUTIER, Esq.,

Clerk, Committee on Pensions and Re-Establishment,

House of Commons, Ottawa.

EXHIBIT No. 9

SOLDIER Settlement Board,—Collections, Repaid Loans, Deposits of 10 per cent Waived and Paid.

District and Province	Number Active Established Soldier Settlers with loans.	Number Settlers with due payments Nov. 1, 1920	Number who paid full due payments.	Number who paid part due payments.	Number who paid advance payment.	Total Settlers making payments to date.
Victoria.....	493	307	125	68	58	251
Vancouver.....	1,337	1,047	244	413	73	730
Vernon.....	866	589	268	140	36	444
B. C.....	2,696	1,943	637	621	167	1,425
Calgary.....	2,307	1,568	610	330	217	1,157
Edmonton.....	3,166	2,382	886	799	153	1,838
Alberta.....	5,473	3,950	1,496	1,129	370	2,995
Regina.....	1,777	1,156	332	395	51	778
Saskatoon.....	1,725	751	422	253	22	697
Prince Albert.....	1,258	811	295	193	152	640
Saskatchewan.....	4,760	2,718	1,049	841	225	2,115
Winnipeg.....	3,042	1,587	550	718	63	1,331
Toronto.....	1,385	1,117	872	149	171	1,192
Sherbrooke.....	320	229	110	39	13	162
St. John.....	441	371	244	47	93	384
Halifax.....	329	244	183	42	19	244
P. E. I.....	259	202	173	26	25	224
Dominion Totals.....	18,705	12,361	5,314	3,612	1,146	10,072

(1) Of total soldier settlers with due payments 72.2 per cent made payments in full or in part.

(2) Of those settlers making due payments 5,314 or 59.5 per cent made payments in full.

(3) Of those settlers making due payments 3,612 or 40.5 per cent made payments in part.

(4) 1,146 soldier settlers made advance payments although no payments were yet due.

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(5) Of total amount due 50.1 per cent has been paid to date.

(6) Of total amount due 84.4 per cent has been paid to date (including advance payments).

18,705 active soldier settlers on the land.

986 settlers' loans approved but legal documents not complete.

352 settlers' loans fully repaid.

199 completed salvage cases.

5,308 settled on soldier grants without loans.

25,550 total ex-soldiers settled on the land.

APPENDIX No. 2

THE SOLDIER SETTLEMENT BOARD OF CANADA

COLLECTIONS

PROGRESS Report to April 14th, Covering Period March 31st to April 14th, 1921

District.	Total amount due.	Total paid during period.	Total payments to date.	% Collected	Total pre-payments to date.	Total received to date (incl. pre-payments).	Settlers.				
							Total due.	Total paid.	% paid.	Total making prepay-ments.	Total paid (inc. prepay-ments).
	\$ cts.	\$ cts.	\$ cts.		\$ cts.	\$ cts.					
Victoria.....	70,718 30	624 61	22,573 21	31.9	49,848 58	72,421 79	307	194	63.2	58	252
Vancouver.....	164,194 03	19,759 28	58,476 06	35.6	70,733 22	129,209 28	1,047	665	63.5	84	749
Vernon.....	85,477 15	3,396 01	41,283 90	48.3	38,862 79	80,146 69	589	410	59.6	41	451
Calgary.....	310,430 85	3,044 69	115,686 27	37.3	67,669 29	183,355 56	1,568	958	61.1	226	1,184
Edmonton.....	421,913 99	12,540 92	191,236 37	45.3	81,337 54	272,573 91	2,382	1,720	72.2	160	1,880
Regina.....	192,434 79	2,342 37	98,046 21	50.9	12,949 94	110,996 15	1,156	750	64.9	53	803
Saskatoon.....	188,566 86	1,842 30	94,367 25	50.0	44,415 37	138,782 62	751	681	90.7	23	704
Prince Albert.....	86,282 42	6,190 85	36,444 68	42.3	29,375 37	68,820 05	811	494	60.9	161	655
Winnipeg.....	398,944 10	9,574 44	215,013 47	54.1	142,250 93	358,264 40	1,587	1,284	80.9	28	1,312
Toronto.....	214,214 07	14,320 00	174,299 95	81.4	187,278 88	361,578 83	1,116	1,027	92.0	177	1,204
Sherbrooke.....	57,742 42	80 39	31,431 16	54.7	25,914 79	57,345 95	229	150	65.5	13	163
St. John.....	54,007 84	6,921 76	37,704 60	69.8	64,220 27	101,921 87	371	295	97.6	99	394
Halifax.....	39,360 85	468 66	30,032 03	76.3	33,330 07	63,362 10	244	225	92.2	20	245
Prince Edward Island.....	30,845 93	170 90	28,349 44	91.9	10,738 01	39,087 45	202	200	99.0	25	225
Totals.....	2,317,083 60	81,177 18	1,175,944 60	.....	858,925 05	2,034,869 65	12,360	9,053	.....	1,168	10,221

DOMINION AVERAGES.

Of total payments due 50.7 per cent have been received.
 Of total payments due 87.8 per cent have been received (incl. prepayments).
 Total amount due..... \$2,317,083 60
 Total amount received to date..... 2,034,869 65

Total (outstanding)..... \$ 282,213 95

Of total settlers with payments due 73.2 per cent have responded.
 Of total settlers due—82.7 per cent have responded (incl. prepayments).
 \$2,317,083 60
 2,034,869 65

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REPAID LOANS

CASES of Loans Repaid and Settlers Continued Farming

District.	No. repaid loan and continued farming.	Approx. Average Amount of loan.
		\$
Victoria.....	7	4,000
Vancouver.....	23	2,996
Vernon.....	3	2,614
British Columbia.....	33	3,065
Calgary.....	44	4,670
Edmonton.....	33	1,801
Alberta.....	77	2,530
Regina.....	13	2,036
Saskatoon.....	7	2,270
Prince Albert.....	10	660
Saskatchewan.....	30	1,693
Manitoba.....	13	3,057
Ontario.....	20	3,024
Quebec.....	1	1,437
New Brunswick.....	7	2,039
Nova Scotia.....	5	1,393
Prince Edward Island.....	8	3,676
Dominion total.....	194	2,803

In addition to above 158 settlers have repaid their loans by selling their farms.

The above information was obtained from a review of 100 files and Accounts Branch ledgers.

APPENDIX No. 2

Cases of 10% Waived.		Cases of 10% Paid.	
Districts and Provinces.	No. of Cases on Purchased Properties where 10% has been waived.	No. and Percentage of Cases who have since passed into Adjustment	No. and Percentage of Cases on Purchased Land who paid 10% and have since been Salvaged.
		%	%
Victoria.....	38	15 or 39.4	22 or 5.2
Vancouver.....	103	61 " 59.2	83 " 6.6
Vernon.....	4	1 " 25.0	28 " 3.8
British Columbia.....	145	77 " 53.1	133 " 5.5
Calgary.....	163	21 " 12.9	73 " 4.4
Edmonton.....	155	33 " 21.3	114 " 6.7
Alberta.....	318	54 " 17.0	187 " 5.6
Regina.....	69	4 or 5.8	50 or 3.9
Saskatoon.....	91	8 " 8.8	38 " 2.9
Prince Albert.....	49	5 " 10.2	8 " 1.8
Saskatchewan.....	209	17 " 8.1	96 " 3.1
Winnipeg.....	125	28 or 22.4	134 or 6.6
Toronto.....	17	17 " 100.0	63 " 4.7
Sherbrooke.....	24	16 " 66.6	36 " 9.5
St. John.....	6	Nil. " —	45 " 10.7
Halifax.....	10	2 " 20.0	29 " 10.5
Prince Edward Island.....	4	Nil. " —	26 " 11.9
Dominion totals.....	858	211 " 24.6	749 " 5.6

Of 858 cases where the Initial Payment of 10% was waived 211 or 24.6% have since been salvaged. The Percentage of Settlers who paid the Initial Payment of 10% and have since been salvaged is 5.6%.

EXHIBIT No. 10

THE SOLDIER SETTLEMENT BOARD
CANADA

OTTAWA, May 21st, 1921.

DEAR MAJOR CRONYN,—

I have to acknowledge your letter of the 20th instant, requesting figures regarding the Board's activities.

I have just had a statement prepared for the Committee covering the more important phases of the work, including the item of administration cost up to March 31st, 1921. This statement is being delivered to Mr. Cloutier by messenger this morning and copy of same is enclosed herewith.

I will be glad to know if this statement meets your requirement, otherwise a statement showing the figures as at December 31st, 1920, will be prepared.

Yours faithfully,

JOHN BARNETT,
Chairman.Major H. CRONYN, M.P.,
House of Commons,
Ottawa.

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THE SOLDIER SETTLEMENT BOARD CANADA

OTTAWA, May 20th, 1921.

Statistics as at March 31st, 1921, in reply to questions by the Special Committee on Pensions, Insurance, and Re-establishment, House of Commons, Canada.

1. The total number of official applications from returned men for privileges under the Act are 59,331, though the Board has been in communication with over 100,000 ex-soldiers with reference to land settlement.

2. Number of applicants qualified:—43,063, or 72.5 per cent of applicants.

3. Number who received training:—2,317 applicants have completed or discontinued training, of which 870 or 37.5 per cent were qualified and 1,447 or 62.5 per cent were disqualified. With few exceptions all settlers who completed their training course as directed by the Board were qualified, the 62.5 per cent disqualified being mainly composed of those applicants who discontinued their training course for various reasons.

4. Number who have been granted loans:—19,801, or 46 per cent of those applicants qualified to receive loans.

5. Total amount of loans granted:—\$80,192,385.02 (all cancelled and withdrawn loans have been deducted).

6. Number of settlers on land by provinces and amount approved:—

Province	No. Settlers	Amount
British Columbia.. . . .	2,880	\$12,798,827 93
Alberta.. . . .	5,802	22,876,022 16
Saskatchewan.. . . .	4,927	19,425,238 05
Manitoba.. . . .	3,231	13,445,460 47
Ontario.. . . .	1,455	6,330,947 06
Quebec.. . . .	341	1,744,991 46
New Brunswick.. . . .	491	1,504,135 47
Nova Scotia.. . . .	361	1,200,576 42
Prince Edward Island.. . . .	313	866,186 00
Dominion total.. . . .	19,801	\$80,192,385 02

7. Amount of loans:—

For purchase of land.. . . .	\$44,395,826 11
" permanent improvements.. . . .	9,012,502 59
" stock and equipment.. . . .	24,900,143 98
" removal of encumbrances.. . . .	1,883,912 34
Total amount of loans.. . . .	\$80,192,385 02

8. Amount received by Board on account of Initial Deposits:— \$4,085,095.96, also £39,079-11-5 or \$171,950.12 (exchange at \$4.40) being amount on deposit at Bank of Montreal and Bank of Commerce, London, England, by Imperial Settlers before sailing for Canada. Grand Total of Initial Deposits—\$4,257,046.08.

9. Amount received by Board as part payment:—Principal \$3,398,712.77, interest \$690,334.18, total received—\$4,089,046.95.

10. Number of settlers who have repaid loans in full:—329.

11. Number of settlers who have been granted free Dominion Lands under Soldier Grant Entries:—8,408, of which 3,100 have been granted a loan.

APPENDIX No. 2

12. Total area of land cultivated under scheme of Soldier Settlement Board:—
 Total acreage cultivated land:—973,078 acres.
 Total acreage newly broken by soldier settlers:—194,300 acres.

13. *Total cost of Administration*

Salaries..	\$3,357,618 70
Travelling expenses—Field Supervisors, Land Appraisers, etc..	1,008,097 69
Office expenses..	295,253 21
Printing and stationery..	331,127 95
Advertising..	36,493 24
Legal fees and disbursements..	302,531 15
Home Branch Short Courses..	10,965 03
Loan Advisory Board..	69,364 52
Qualification Committees..	59,922 87
Expenses, London, England Office..	28,326 98
Prairie River expenses..	28,335 20
Clearing land by controlled fire..	17,453 51

Travelling equipment—

Motor cars, other vehicles, Field Supervisors' equipment, etc..	203,799 62
Training Centres' equipment, Students' board, etc..	80,598 93
Miscellaneous..	71,689 48

Assets—

Value of motor cars, travelling equipment, etc., on hand..	\$130,000 00	
Value of equipment at training centres, etc., and produce sold..	43,495 25	
Value of typewriters and multigraph plants in possession of Board..	78,100 00	
Clearing land by controlled fire (return- able)..	17,453 51	
		269,048 76
Net cost of administration..		\$5,632,529 32
Pay and Allowances to settlers in training (not classed as cost of administration)..		176,408 76
Total..		\$5,808,938 08

EXHIBIT No. 11

(A) Submitted by Mr. Thomas Adams.—*Re Town Sites*

OTTAWA, December 10, 1920.

REPORT ON MODEL TOWN SITES, GARDEN SITES, AND LAND SETTLEMENT TO THE SUB-COMMITTEE OF THE SPECIAL COMMITTEE ON PENSIONS AND SOLDIERS CIVIL RE-ESTABLISHMENT.

Gentlemen.—At the request of Mr. H. M. Mowat, M.P., I have the honour to report with regard to the question raised in a resolution moved in the House of Commons in September last, in which the House was asked to express the opinion that it was expedient to assist repatriation and civil re-establishment by advancing moneys to provide houses; that these houses should be erected on model town sites or in garden cities, one in each province; that land sufficient for market gardening should go with each house; that occupants should be encouraged to buy their holdings by payments extended over 20 years; and that properties be so constructed that the owners could work at home with electrical power.

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The main object of this report is to set out such conclusions as I have formed as a result of my enquiries into model village and garden city schemes in England, and to indicate the respects in which these schemes have a bearing on the matter which is under consideration of your Committee.

Before giving the results of my enquiries in England perhaps it may serve a useful purpose to give a résumé of what has been done to deal with the housing situation in Canada.

The Federal Housing Project

The present Government decided by order in council to grant a loan for the purpose of providing housing accommodation. The first order in council dealing with this matter was passed in December, 1918, authorizing the Minister of Finance to advance \$25,000,000 to the provinces for the carrying out of housing schemes.

In the subsequent negotiations which took place between the Housing Committee of the Cabinet and the provinces and in the discussions which took place in committee, the question of utilizing any portion of the money for community development was considered. It was decided, however, that the responsibility as to how the money should be used should rest with the provincial governments, subject to four conditions set out in the order in council passed on February 20, 1918.

The first condition required that each province should prepare a scheme including a schedule of minimum standards in regard to the grouping of houses, provision of open spaces, size and heights of houses, size and heights of rooms, provision of light and ventilation, heating, lighting, character of materials, etc., which it was proposed should be enforced as the minimum requirements for health, comfort and convenience.

In addition to asking the province to prepare such a scheme the Housing Committee recommended some general principles and standards set out on pages 11 to 14 of the attached description of the Federal project. It will be noticed that the first two recommendations refer to acquisition and planning of sites. It was stated to be essential that there should be a cheap and speedy method of expropriating land for housing purposes and that comparatively large sites should, as a rule, be chosen so as to permit of comprehensive treatment. It was further urged that the sites, as well as the buildings, should be properly planned to secure sanitary conditions, wholesome environment and the utmost economy.

The Federal Government is thus shown to be on record as not only finding a substantial sum of money for housing, but also recommending that the money should be used as far as practicable in comprehensive schemes.

While making these recommendations it was recognized, as already stated, that the responsibility for the methods of using the loan would rest with the provinces and would not be a matter for any arbitrary action on the part of the Federal Government.

In connection with this scheme I was instructed by the Government to co-operate with the Housing Committee of the Cabinet. Subsequently when the administration of the loan was transferred to the Department of Health I continued to give such assistance as I could, and have dealt with all enquiries that have been received and with all proposals that have been made for amending provincial schemes.

*Government House Progress to Date**

The position of the different provinces is approximately as follows:

In Ontario 72 municipalities borrowed money from the province for housing purposes. The total amount requested for loans by the municipalities was \$15,000,000.

*This report relates to the progress made up to December, 1920. A later report has been made for the purpose of giving evidence before the Parliamentary Committee on Pensions and Re-establishment on April 28, 1921.

APPENDIX No. 2

The total amount approved of for appropriations to the various municipalities was \$10,629,000. In 1919, 1,184 houses had been built in Ontario and about 1,000 have been erected, or are being erected this year. This will make a total for Ontario of about 2,200 houses. All the appropriations made by the Dominion and the Province have been completely exhausted. Eight municipalities are proceeding under the new Municipal Housing Act of 1920 under which municipalities issue their own debentures which are guaranteed by the province.

The province of Manitoba reported on November 11 last, 522 houses erected with a programme for 720. British Columbia reported, on October 23, 340 houses completed with a programme of 394. In the province of Nova Scotia the Director reported, on November 9, 30 houses completed and 110 in course of construction. The latest report from New Brunswick (May, 1920) gave 50 houses completed and Quebec reports 263 houses completed. Saskatchewan passed a Housing Act in May last.

Only in one or two cases was any serious effort made to follow the advice of the Federal Government in developing comprehensive schemes of housing in small self-contained units. Most of the money has been used in building groups of dwellings or individual houses as part of the regular development of the city.

At Halifax the houses are being erected in conformity with a plan prepared for the devastated area. This insures that the houses will be erected with proper regard to all the recommendations made by the Federal Government regarding the planning of the site.

In Quebec Dr. Emile Nadeau, the Director of Housing, made every effort to encourage the development of garden villages and suburbs. He did not encourage the granting of loans for the erection of individual houses. Unfortunately he obtained no support except in respect of two or three small schemes, notably at Shérbrooke and St. Anne's. The general attitude in Quebec is not favourable to the utilization of the housing loan for the development of model communities.

In Ontario, where the housing loan has been used to the largest extent, the Director of Housing, Mr. J. A. Ellis, advocated the development of comprehensive schemes where practicable, but he did not discourage the lending of money to individuals for the erection of homes on separate lots.

In Ottawa and Trenton two schemes were promoted in which small self-contained areas were utilized as sites for housing schemes. These sites were large enough to permit of obtaining some of the advantages of town planning. The largest scheme was developed at Lindenlea, Ottawa, a plan and brief description of which are attached. (Appendix "A").

Land Settlement in British Columbia

In the Western provinces there has been no tendency to use the money for developing anything in the nature of a model community. In British Columbia, however, the Government has been most active in carrying out one or two schemes of land settlement for the returned soldiers which seem to have been designed to meet the needs of the situation in a small degree along the lines suggested. The province used the money advanced by the Federal Government for loans to the municipalities mostly for the erection of individual houses, under the Department of Lands. The Department of Agriculture dealt with the question of land settlement. Soldiers, by their organizations, influenced the Government to promote co-operative communities and to seek for sites for land settlement near to the established centres which was one of the points emphasized in the resolution submitted to the House.

The Government acquired some 14,000 acres of land on Vancouver Island. It found that 5,000 acres of this were useless for agricultural purposes and about one-third was good farming land, the remainder being fair. It has been carrying out a scheme on this area which the Minister of Agriculture, the Hon. E. E. Barrow,

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describes as highly satisfactory having regard to all the circumstances. The average sized holding is 60 acres and costs \$600 for each returned man, carrying a rebate of \$500. This scheme was carried out at Creston where the holdings comprised 20 acres. At Merville there is a settlement comprising 126 allotments with 55 miles of roads, 30 miles of fences and 27 wells. There are 157 children in the area.

The Department had also obtained reports on 200,000 acres of land in the northern part of the province. Altogether the department reports about 121,000 acres as being included in the settlement schemes.

Criticism of the soldiers settlement schemes of the Government by opposition members of Parliament has brought out evidence of some dissatisfaction on the part of the settlers. What is stated, however, is not that there has been a failure in adopting the right kind of methods, but that there has been unbusinesslike administration.

At Lister, in the Creston area, dissatisfaction is expressed with unnecessary expenditures incurred in sinking wells where there is no water, and in the alleged breaking of agreements by the Government. This question of management will always be a matter for serious consideration in connection with such schemes.

Mr. J. D. Wells, Director of the Kitsellas Copper Company, in a letter to the Commission of Conservation, advocates the formation of community land settlements in British Columbia, and instances the failure of the schemes to settle South African veterans who were granted individual farms and mostly gave up their land for speculation.

The failure of the colony at Kapuskasing developed by the Ontario Government has been dealt with in the report of a commission of inquiry. I will only allude to it as further evidence of the care that needs to be taken in the planning and management of such schemes.

In a communication received from a United States Government specialist in colonization, the following statement is made with regard to Kapuskasing:—

To my mind town planning should be based on a true land classification.

I do not see how town planning can begin until, so to speak, land classification ends.

This investigator's point was that each community should be planned as a settlement with a view to securing proper social conditions and healthy community life in the form advocated in the resolution submitted to the House.

One unfortunate result of such schemes as Kapuskasing is that it creates a prejudice against any movement for getting the right kind of model settlement.

Brief Review of Proposals made to Parliament

In the resolution submitted to the House on March 24, 1919, Mr. Mowat advocated the erection of villages in the neighbourhood of cities. In this, he recognized the need for providing some of the returned men with opportunities to engage in some form of manufacturing production and intensive culture of small farms or market gardens under satisfactory living conditions, as distinct from the Government schemes for settling men in purely agricultural colonies.

My experience in England, confirmed by recent inquiries, shows that the only really successful community developments that have taken place, have been those which have been largely industrial in character and comparatively near to large centres of population. As carried out in such places as Letchworth, Port Sunlight, and Bournville, the matter has not yet been approached in Canada except by such private enterprises as Kipawa on lake Timiskaming, and the Brantford Housing Development. The G.W.V.A. and other organizations have pressed for action by the Government in giving support to community settlements and industrial housing for returned soldiers. At the same time it has to be recognized that Letchworth, Bournville, Port Sunlight and such schemes are private enterprises.

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The case submitted by Mr. Mowat and Mr. Hocken was answered by the Hon. J. A. Calder, Minister of Immigration and Colonization, who is now also Minister of Health, and, therefore, responsible for the administration of the present housing project of the Federal Government. Mr. Calder referred to the importance of relying upon those who started industries being encouraged to establish them in the smaller towns. He said that the House would be bound to consider the extent to which the matter was a federal duty, and although he did not question the practicability or ease with which the Government could establish model cities, he stated that it would cost money. He implied, therefore, that there was a question of finance which involved the consideration of other alternative ways of assisting the returned soldier. Speaking for the Opposition, Mr. D. D. Mackenzie seems inclined to the view that the matter came within the jurisdiction of the provinces rather than of the Federal Government. Mr. Mowat's reply was to the effect that the scheme was designed for those who had been sent to war and that the Federal Government was, therefore, responsible for securing proper settlement and satisfactory housing conditions for the ex-service men.

The Attitude of the Federal Government.

The policy of the Federal Government towards housing has been that they regarded it as a matter for provincial rather than federal administration and responsibility. The grant of \$25,000,000 at 5 per cent to facilitate the erection of houses for workingmen (particularly returned soldiers) was made by the Government, to supplement the aid given under the Land Settlement scheme, but the conditions under which the grant was made were prefaced by the statement that the promotion of housing schemes was a matter for provincial and municipal rather than federal jurisdiction. This attitude of the Federal Government has to be borne in mind in connection with any proposals to increase the liabilities of the Government for housing schemes.

The Premier (the Right Hon. Arthur Meighen) has also indicated that he does not favour communistic features in any proposal for land settlement. The Premier—then Minister of the Interior—stated in a letter to Lieutenant A. F. Walker, M.M., relating to the co-operative land settlement plan in British Columbia, that he concurred in the disapproval by the Soldier Settlement Board of certain communistic features of the scheme and that he preferred the system then in operation, which “insists on individual qualification and individual effort and responsibility.” Subsequently a co-operative scheme was agreed to for the carrying out of a scheme at Courtenay, B.C., under regulations adopted by the Provincial Land Settlement Board.

In dealing with the administration of the federal loan I have had to consider and discuss, with various parties connected with repatriation, the question of forming special colonies for returned soldiers. One scheme was suggested for an area at Kamloops. I visited the site, which appeared to be admirably adapted for a settlement, particularly for men who had been cured of tuberculosis but required to exercise care in selecting employment and a suitable climate so as to prevent recurrence of their malady. I was unable to make any recommendations in respect of this or any other site until the initiative was taken by the Department of the Government responsible for soldier settlement. In this case, the Department of Indian Affairs was interested because part of the land was an Indian reserve which it was proposed to acquire. The consideration of the scheme was referred to the Soldier Settlement Board with whom rests the responsibility for any steps that may be taken.

One communication was received from a man in the Manitoba Sanatorium for consumptives. He explained that he had been gassed and, in consequence, suffered from tuberculosis. He expected to leave in a couple of months with the disease, in a measure, arrested. He expressed the opinion that to prevent the disease from breaking out again he would have to sleep in the open air, winter and summer, and live in a

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well-ventilated house. He was a barrister, living in the city of Winnipeg where there were few houses of a suitable character for his needs. He claimed that there were hundreds, if not thousands of soldiers in a similar position, who leave hospital arrested cases, but for want of suitable houses, will be continually breaking down and thus be a constant charge on the Government.

I brought the matter to the attention of the Department of Soldiers' Civil Re-establishment and received the reply that the Department did not discharge ex-soldiers on its strength who are taking treatment for tuberculosis, until such time as they are in a fit condition to carry on their civil occupations under normal conditions. In view of this fact, the Department could make no recommendations to the Government for action in the matter. The action I suggested was that a conference between the different departments interested in repatriation should be held to consider what could be done to deal with such cases.

The G.W.V.A. has always contended that the housing fund for soldiers should be administered by the Federal Government through the Soldier Settlement Board. By means of the large grants given by the Federal Government for land settlement under the Soldier Settlement Board, the loan of \$25,000,000 for housing and \$25,000,000 to provide employment in constructing highways, the Government has made a substantial contribution towards a constructive policy of repatriation and for dealing with problems of unemployment.

Commission of Conservation Proposals

In 1917, an attempt was made in the report on *Rural Planning and Development*, published by the Commission of Conservation, to outline some of the principles that should govern the settlement of returned soldiers. These are in general accord with the proposals submitted by Mr. Mowat. It was pointed out that after many soldiers had returned to their previous occupations, or had been absorbed into the industrial life of the cities, there would still be a large number for whom some organized provision should be made—as a national obligation.

In view of the large number of men (it was stated) who have a taste for industrial pursuits, who have learned discipline and precision, who have seen the advantages of co-operation and social intercourse, it will be essential that some step be taken to organize the development of new towns, or to assist in the extension of existing towns where such men can be provided for. Even those who will want to take up farming will prefer to do so in close proximity to an existing city or town where intensive culture is practicable and better social facilities can be obtained. The success which has been achieved at Letchworth, in England, in the building up of a city and agricultural colony combined, affords us the example we require to solve a large portion of the problem of the returned soldiers. Such a scheme involves artificial organization to get it started, but one of the objects of that artificial organization would be to develop a town in which there would be the fullest public freedom for natural growth and individual initiative.

Sites can be obtained close to large centres of population, where towns could be created on land which can be acquired at a reasonable price. The facilities which a government has to enable it to acquire a large block of land at agricultural rates and convert it by improved transportation, etc., into valuable building land, would provide such a scheme with a sound economic basis. The problem of creating such towns is not in the difficulty of acquiring suitable sites; it is in getting sufficient capital to equip the site with such improvements as are necessary to make it adaptable for building a city. In so far as the Letchworth scheme has hung fire during the past fourteen years, it has been almost entirely due to lack of sufficient capital at the outset, but in Canada there should be no

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difficulty in this respect. We are contemplating placing a large number of soldiers on the land, at a cost which may mean that the Governments will have to provide, by loans and other forms of expenditure, about \$2,000 per family. If we were to apply the same capital to develop a combined industrial and agricultural colony, on scientific lines, for 30,000 people, we would have—at \$500 per head—a capital of \$15,000,000 for the purpose. The Letchworth scheme was started on a capital of about \$750,000, *or less than the cost of the bare site which had to be purchased to build the town. If there had been four or five times the capital available, it is certain that the city would have been completely occupied by 35,000 people in a very few years. Owing to the want of capital, the development has had to be slow and the city is now about half completed, although it is growing more rapidly than towns of a similar size in England.

In a new development of this kind, it is important that the first experiments should be carried out near to existing centres, for many reasons, the most important of which is, that it is the only way in which the element of risk in obtaining industries and population and securing rapid financial success can be reduced to the minimum. Land can be acquired within a comparatively few miles of the largest cities in Canada at from \$150 to \$300 per acre. By improving the means of transportation, providing water supply, power and other public services, this land could be converted into building land of a high value which, without any other aid, should alone provide interest and sinking fund on the capital invested. Essential consideration in connection with any such scheme would be:

- (1) That a proper plan and scheme of development be prepared and that part of the area acquired, say two thirds, be set aside permanently as an agricultural estate around the town.

- (2) That the land shall be acquired at a reasonable price, having regard to its site and character; and that the site be selected in such a position as to enable attractions to be offered to manufacturers and residents.

- (3) That the scheme should be based on a sound financial footing and that any special advantages offered to returned soldiers should be kept distinct from the business part of the enterprise.

- (4) That the dividend payable on capital provided from public and private sources should be restricted to 6 per cent and that all profits in excess of the amount required to pay such dividend be used for the benefit of the town and its inhabitants.

- (5) That provision be made to prevent land speculation without unreasonable restrictions of the power to negotiate the sale of land.

Until development schemes are made, it is not likely that the settlement of isolated groups of returned soldiers in rural districts will succeed, no matter how liberal the terms may be that are offered by the Governments. The areas available for free homesteads are, for the most part, in remote regions, where success is difficult because of want of proper means of communication. The returned soldier will need social intercourse and good facilities for educating his children, and these must be provided wherever settlement is permitted; they cannot be provided in small artificial colonies, or without closer settlement over wide areas, better roads, and the expenditure of capital in planning and developing large areas of the land.

The above gives a very general outline of what has been done and of the opinions held in Canada with regard to proposals for dealing with problems of soldier settlement and for developing model communities.

*The share capital at 30th September, 1904, was \$503,460, and mortgages and loans \$419,670. There has now been allotted (1920) approximately \$1,000,000 in ordinary shares and there are preferred shares, debentures, loans and mortgages amounting to over \$1,500,000.

Review of Conditions in England

There are in England five distinct movements in connection with housing and land settlement which should be kept separately in mind and not be confused with each other. They are:

1. The establishment of garden cities such as Letchworth and Welwyn, and garden suburbs such as Hampstead.
2. The promotion of industrial villages around a large industry such as Port Sunlight, Bournville, Farewick, etc.
3. The development of war community villages on model lines during the war, in connection with production of munitions, as at Bretna, Well Hall, Woolwich, etc.
4. The development of model villages and suburbs in connection with the post-war housing policy of the British Government.
5. The land settlement schemes and housing schemes designed especially for returned soldiers.

The first two or these were quasi philanthropic developments which took place prior to the war, by private enterprise. The third was purely a war measure to assist in securing an increase of the supply of munitions. It is to the fourth and fifth we have to give special attention as to the respect in which they afford guidance for Government action in this country.

Tenancy versus Ownership

One general feature in all English housing and land settlement schemes that may be said to make them inappropriate as examples to suit Canadian conditions, is the fact that they are nearly all based on the tenancy system. Comparatively few workmen in England own their own houses. This has been largely the result of custom and has been one of the causes that have made it necessary for governments and municipalities to provide tenements for the poorest classes. The private builder builds to sell. Many of the best artisans in the country have purchased houses through building societies but the poorest labourers are not able to save sufficient money to enable them to make the necessary payments. The Government has sought, at different times, to encourage home ownership by lending money. Experience has shown, however, that the workman prefers the Building Society loan to the Government loan. Schemes to lend money to individuals to erect their homes have not been a success, except on a small scale in one district (Ilford).

On the other hand, the model housing schemes have all been based on the tenancy system, in recent years. When Bournville was started a number of lots and houses were sold on 999 years' leases, but this was found unsatisfactory and thereafter houses were erected for renting only.

At Letchworth, larger houses are owned but the land is leased for 99 years as it is the principle of the promoters of the scheme not to sell the land. It is found, however, that workmen can only be obtained by building houses and renting them. Perhaps if the land could be sold in small lots, workmen would be persuaded to build their own houses. The by-laws in an English town would not, however, permit of the erection of the simple shack cottage dwelling which is the beginning of the workman's home in Canada. The by-law requires a standard construction which means an initial cost beyond what the workman can pay. The effect of those by-laws and leasehold system is to encourage tenancy.

At Port Sunlight and Bournville, home ownership is not considered desirable because it does not permit of proper control being exercised over the maintenance of the property in good condition. If the houses were sold, it would be difficult to control the disorder which springs up from individual cases of neglect. Bournville is under

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a trust which represents the tenants as well as the manufacturers. This removes the objection of the employer being the landlord of his workmen, but it still means that the village is developed on the tenancy rather than the home-owning system.

Co-partnership Societies

Before the war, one of the most successful forms of housing enterprise in England was that promoted by the Co-partnership Tenants, Ltd., of which Mr. Henry Vivian is Chairman. It is probable that during the years immediately preceding the war no other organization was responsible for so much building by private enterprise. Unfortunately, the organization was very hard hit by the Rent Restriction Act which had the effect of preventing them from realizing sufficient return on their property. Following the difficulties thereby created, the cost of building increased enormously and the Government prevented the erection of houses except for war purposes. The general result has been that during the war little building was done and since the war the Co-partnership Tenants, Ltd., have only been operating in a very small way and are not able to take advantage of the terms offered by the Government. On the other hand, Sir Henry Tudor Walters, M.P., is Chairman of an organization which describes itself as a Public Utility Society. This organization is building houses in connection with new collieries, by arrangement with the owners and with the aid of Government funds. These new developments will be planned in such a way as to provide model settlements, but they will be largely subsidized by the Government. Whatever advantages are given to the tenants in the way of improved dwellings will be the result of the Government contribution towards the cost of building the houses. This is another instance of private enterprise subsidized by Government funds.

The co-partnership scheme is a sort of compromise between ownership and tenancy. A co-partnership society consists of members who are partly shareholders and partly tenants. As shareholders they receive a return on their money in the form of semi-annual interest and as tenants they pay a rent which is supposed to represent an economic return on the cost. In their capacity as shareholders they own the houses of the society in bulk. Thus they may be described as not owning any house but owning a part of all the houses owned by their society.

The general effect therefore of the system of developing model towns and villages in England has been to increase rather than diminish the tendency towards tenancy. In Canada, on the other hand, it would probably be necessary to so organize model settlements as to encourage home ownership.

The Co-partnership Tenants, Ltd., control twelve estates with an estimated cost, when completed, of about \$15,750,000 on pre-war figures. Apart from a village development at Guildford, the Tenants Company is not interested in any large operations at the present time. The Guildford scheme is being carried out under co-partnership rules but independently of the parent Tenants Society. The Guildford scheme is to develop 600 acres of land and to build 200 houses before September, 1921. As an example of the cost of land in England the Guildford scheme is interesting. The company has acquired 646 acres of meadow and arable land in a rich agricultural district and in one of the most beautiful locations in England. The purchase price paid for the land, including two farm houses, farm buildings, and 11 cottages, is less than \$300 per acre, probably equivalent to about \$200 for bare land. The site is on the high ground and has 24,000 feet of frontages already existing on a good highway. It is under a mile from Guildford station which is 30 miles from London. It is served by three main track railways and the non-stop trains take 43 minutes for the journey. Guildford has a population of about 25,000.

The money to be provided for this scheme will be partly from loan stock of the Guildford town council, mortgages of the original owner, the Earl of Onslow, and the Government loans of two-thirds of the cost of building the houses.

I will now deal briefly with the five movements in connection with housing, land settlement and industrial distribution, in England, in the order already set

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(1) GARDEN CITIES AND SUBURBS

Letchworth

Letchworth Garden City is the most important example of a deliberate attempt to establish a new city. It was started in 1903 for the purpose of developing a new town on an agricultural estate. The general objects of the scheme were to establish an industrial and residential town principally by securing a concerted movement of manufacturers from crowded centres to a new site acquired for the purpose; to restrict part of the area for the erection of buildings and industrial purposes, retaining the remainder for agricultural purposes. The estate is 33 miles from London. At the time of purchase there were 450 people in the site and there are now between 12,000 and 13,000. There are over 30 factories and the city is more than self-supporting in that it provides employment for a much larger number of workers than are resident in the town. If sufficient capital had been obtainable to erect houses as rapidly as they were needed for existing industries there would be another 2,500 population in the city.

The city has been extraordinarily successful in demonstrating the practicability of transferring industries and homes from the crowded centres to virgin territory. Like all land developments, however, it has not yielded revenues fast enough to meet the annual charges on the whole of the capital invested. Interest has been regularly paid on the mortgages and debentures but the ordinary shareholders have only received a comparatively small proportion of the cumulative interest on their investments. On the surface this would appear to indicate lack of commercial success, but owing to the large estate (4,500 acres) owned by the Garden City Company there is no question that the company could, if it wished, realize far more from the sale of land than it requires to pay off the whole of its indebtedness and leave a substantial profit. The scheme has been described so fully in other reports that I am not attempting to do more than explain the financial position.

I spent some time in studying the developments that had taken place at Letchworth since previous visits. The growth has been comparatively slow, although it is proceeding steadily. Had the capital invested at the beginning been large enough to enable the Directors to push forward the development more rapidly it is likely that the city would have been complete with its 35,000 inhabitants by this time. Owing, however, to the shortage of capital slow progress has been made and the placing of the scheme on a sound financial basis has been prevented up to the present time.

Welwyn

One of the best evidences that the garden city at Letchworth and the Garden Suburb at Hampstead are being developed on sound principles is the fact that a new garden city has been started at the instigation of many of the people who are responsible for giving financial support to the other schemes. For the purpose of this new enterprise a large estate has been acquired within 21 miles of London. The interest to be paid on the ordinary shares will be seven per cent instead of five per cent paid by the Letchworth Company. It is intended to reserve a smaller proportion of the area for agriculture than in the case of the Letchworth scheme. It also appears to be the intention of the Welwyn Company to undertake a larger share in the actual building development than was the case with the older concern.

These two garden city enterprises are the most important of their kind. Letchworth is the only garden city which has reached the stage of maturity sufficient to enable any satisfactory conclusions to be arrived at.

The Garden Suburb is fundamentally different from the Garden City. It is a dormitory of an existing city instead of a self-contained town with its own industries.

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Hampstead Garden Suburb

I visited the Hampstead Garden Suburb and found that while the earlier portions had greatly improved in appearance owing to the building material having matured and softened in colour and owing to the growth of the vegetation, there was a disappointing lack of activity in carrying on new building operations. The Hampstead Garden suburb is looked upon as one of the most successful of the Garden Suburb schemes. It certainly has developed quickly and has enjoyed many advantages which would not be available for the average scheme and it has been supported by very influential people. Although a private enterprise, it has had considerable influence in connection with town planning legislation passed by the British Government. Socially, ethically and architecturally, it has been a great success. As a social experiment it would have justified itself even if it had meant a considerable loss to carry it out.

From a financial standpoint it has been disappointing. It has failed to yield adequate revenues in spite of a rapid development that should have made it financially successful. I have before me a report of the Directors, dated July 12, 1920. It shows a small balance of the revenue account for the year of about \$257.60. Added to a previous balance, less an amount written off preliminary expenses, the total balance is \$1,750. The Hampstead Suburb Trust have to meet debenture and mortgage interest charges amounting to \$52,750. At present the ground rents stand at about \$55,000, as the chief source of revenue of the Trust. Management and maintenance expenses have to be met out of sundry receipts. Mrs. Barnett, the Honorary Manager of the Trust, states that the chief reason for the delayed realization of financial success has been the slowness with which the dearest lots have been leased for the larger class of houses. This has meant that the estate is being carried with the lower ground rents obtained from the smaller dwellings.

In the monthly *Labour Review*, published by the U.S. Department of Labour there is a report on "Housing in Great Britain," which deals incidentally with garden cities and garden suburbs. The Letchworth scheme is summed up as a town planning experiment of the greatest importance and as showing what can be done to forestall a repetition of the existing congestion in England. The garden suburb, as distinct from the garden city, is not regarded as a solution of the problem of providing housing for work people because it involves separating the workman from his place of employment.

Letchworth is the outstanding example of a garden city, and Hampstead of a garden suburb. Other suburbs visited did not present any features which need to be dealt with in this report.

My general conclusions with regard to these schemes are:—

First.—They have been of enormous social value in influencing Parliament in improving the character of its housing legislation, in educating public opinion regarding the best methods of housing betterment, and in raising the standards of housing accommodation and types of architecture in connection with small dwellings erected by private enterprise.

Second.—They have been hampered in their development by lack of sufficient capital and this has delayed their completion.

Third.—Owing to the delay in completing the schemes, largely for the reason given above, the schemes have not paid any substantial proportion of the interest on ordinary stock, but all the interest on loan stock, debentures and mortgages has been promptly and regularly met.

Fourth.—While the schemes have, therefore, not been completely successful from a commercial point of view, I am convinced, as a result of careful inquiry and observation that the Letchworth and Hampstead companies are solvent and could realize

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sufficient from the sale of the undeveloped land to pay all obligations including arrears of interest. Whether without such sales and without departure from the principles on which they are founded, they will become commercially sound may be open to question, because this depends on rapid development in the next few years. With good management there should be no difficulty in placing the properties on a sound commercial basis.

(2) INDUSTRIAL VILLAGES

Port Sunlight, Bournville and Earswick

Bournville, Port Sunlight and Earswick are industrial villages each formed in connection with one industry and largely the result of the philanthropy of those who are engaged in the industry.

Port Sunlight is, architecturally, the most perfect model development in England, but if it were to be regarded as a commercial proposition it would probably be one of the least successful. This statement must be made with the qualification that, taking the village as a whole and considering the rapid increase in the population of the surrounding territory, it is conceivable that it could be made thoroughly sound from a financial point of view if it were turned over to someone who wanted to make the most of it for that purpose. Lord Leverhulme has been interested, however, in making a model and in obtaining indirect results from the greater content and prosperity of his people rather than from making a paying enterprise out of his building development. Port Sunlight is an example, therefore, of what the philanthropic manufacturer can do in the way of prosperity-sharing with his work people.

Bournville is different in that the garden village has been placed in the control of a village trust distinct from the Cadbury firm of manufacturers who are responsible for its establishment. It is impossible to say how far such a scheme is commercially successful. Even if it could be claimed that the dwellings paid a commercial return on the money invested, there is no method of calculating the indirect contributions towards the improvement of the village, the erection of churches, schools, recreation pavilions, etc., which are made by Messrs. Cadbury and for which the community have to pay nothing.

When the scheme was first started, cottages and sites were offered for sale on 999 year leases. This system was ultimately abandoned as it was found to have many objections. The remaining cottages were built by the Trust and let to tenants. This was after 132 had been erected and sold. Like Port Sunlight, Bournville is an example of prosperity-sharing between the manufacturer and his employees. The estate comprises 774 acres, and contains 820 houses of which 506 belong to the Trust and 276 to private owners. Mr. Cadbury's gifts have amounted to £264,000.

Earswick is a similar, but later scheme, carried out by Messrs. Rowntree, chocolate manufacturers.

Housing by Manufacturers in England

Probably because of what has been done at Port Sunlight and Bournville, it has been stated in influential quarters in Canada that the model housing schemes in England have been promoted by large employers of labour, and that it is they who should be made responsible for providing better housing conditions in this country.

An Inter-departmental Development Committee of the Government, appointed by Sir Eric Geddes, to consider the proposition whether the manufacturers who create housing difficulties should contribute to their solution, issued a private report which I was privileged to see, under date of 31st May, 1920. It was pointed out in the report that the bulk of housing that did not give an economic return on the cost was paid for by taxation which had to be shared by manufacturers equally with other

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parts of the community. It was felt that it would not be fair to impose a special responsibility on manufacturers for housing their workers, but that they should be encouraged to establish their plants in suitable localities where housing accommodation could be provided in model self-contained settlements. The report referred to the disadvantage of the employer being the landlord of the employees. There was an absence of proper information to enable a decision to be arrived at. The committee recommended the promotion of town planning schemes in existing towns, including allocation of proper areas for factories and houses; a general survey of the country in order to decide which towns and districts are suitable for development, and the establishment of the needed organization for these purposes.

My conclusions with regard to this form of housing enterprise are:—

First.—It pays the manufacturer to promote model housing schemes for his work people but he cannot be saddled with the responsibility for providing houses.

Second.—Accurate information cannot be obtained to enable judgment to be formed as to the financial soundness of these villages judged purely as land development and housing schemes. As prosperity-sharing schemes I think they are superior to any other form of giving employees a share in the profits of manufacture. Lord Leverhulme and Mr. George Cadbury claim that they pay, but this claim has regard to the indirect advantages to the industry as well as the monetary returns. No doubt they could yield a full commercial return if that were the object.

(3) War Community Villages

The villages of Gretna and Eastriggs, which I visited in 1917, are interesting from the point of view of demonstrating that the British people realized during the war that permanent houses with good environment were necessary to secure the maximum output of production. The provision by the government of recreation halls, picture theatres, recreation grounds, etc., in these villages showed, also, that their purpose of getting the highest production could only be achieved if they catered to the social as well as the individual needs of the community. On my recent visit, there was no evidence of much activity because the production of explosives had ceased and the Government had not taken steps to set up any new kinds of industries so as to make an industrial town in this part of the country.

At Well Hall, Woolwich, and other places, war-time housing schemes were carried out. These schemes cannot be judged from a commercial standpoint. They were carried through by the Government on a war-time basis which means haste and indifference to cost. Although, in a measure, they represent waste, in that many of the houses are erected where they are not wanted for peace purposes, there has been surprisingly little of this. There is nothing in these schemes which affords a guide to us in Canada as to what we can do except to the extent that they prove that a country which has been engaged in Government housing for more than half a century has come to realize that the village community or the garden suburb is the right kind of development for the investment of public funds, even in the middle of a war and for the purposes of war production. The only conclusion to be drawn from this class of scheme is that good housing, and facilities for social intercourse and recreation in connection with housing, are both essential to obtain a satisfactory industrial output and contented workers.

(4) DEVELOPMENT OF MODEL VILLAGES AND SUBURBS

In Connection with the Post-war Housing Policy of the British Government

The British Government have so convinced themselves of the necessity of improved housing conditions that they have embarked upon an enterprise in connection with the building of houses which may mean a loss to them of \$1,000,000,000. A

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large proportion of my time in England was devoted to studying the policy of the Government relating to this enterprise, in investigating the housing problem which had made it necessary to find so much money for its solution and the results so far obtained in dealing with that problem. The municipalities are being made responsible for building the houses, subject to Government aid and supervision. The Government tried to meet the situation by offering to pay three-quarters of the losses which the municipalities might incur as a result of erecting houses to overcome the shortage. This, however, was not accepted and now the Government is practically having to pay all the loss that may accrue over and above a specified amount, which is fixed at one penny in the pound on the rateable valuation of each district. A national survey has shown that 800,000 houses are needed. These will cost about \$5,000 each, including land. Thus the total cost will be \$4,000,000,000. They are trying to get as many of these houses erected by local authorities as possible, but, in order to encourage private enterprise they are giving a subsidy of from \$1,150 to \$1,300 to private builders for each house erected under certain restrictions as to time and cost. Houses are costing five times as much as they did before the war and returns obtainable for them are not more than twice as much as the pre-war rate. Thus a house renting at \$7.50 per month, before the war, might rent at \$15.00 per month to-day but might cost the equivalent of \$37.50 per month.

Mr. Lawrence Veiller, secretary of the National Housing Association, who made a careful study of the situation, estimates that the loss to the British Government will be \$100,000,000 a year for 60 years or a gross loss of \$6,000,000,000. As the total cost of the houses is only \$4,000,000,000 this cannot be regarded as a fair estimate. Probably a more reasonable estimate would be to put the loss of the next ten years, while the houses are being built, at one-fourth of their cost, namely \$1,000,000,000, and treat that as sunk capital, therefore disregarding the compound interest which builds up Mr. Veiller's figures. The money is being used to erect houses in groups, villages, suburbs and even in one case in building a garden city. It is only being used for what would be called "model communities" in Canada.

Although recommended to do so by one of the departmental committees, the Government has not, so far, given any direct contribution to a privately organized garden city. They recognize the soundness of the scheme but they are not able to adjust the machinery of Government so as to place the private company on a par with the municipality in receiving Government aid.

The London County Council, however, are developing a garden city on 3,000 acres at Dagenham, in Essex, and in many other cities and towns large housing schemes are being developed which will mean the creation of scores of garden suburbs built by the local authorities with national funds, during the next few years. I visited a number of the housing schemes of the London County Council and other schemes at Hayes, Ruislip, Birmingham and elsewhere.

Memorial Villages

Outside of one or two small memorial villages I found nothing that could be looked upon as an example to be followed in this country for the purposes you have in view.

A society was formed to develop a memorial village in England on the lines advocated by Mr. Thomas H. Mawson, the well known landscape architect. No national effort to carry out the scheme was made although a few prominent men identified themselves with the movement. The only scheme started was in Mr. Mawson's home city of Lancaster, where a war memorial village was built in honour of the non-commissioned officers and men of the King's Own Royal Lancaster Regiment who gave their lives in the war. The site of the estate selected for the scheme was close to the centre of the city of Lancaster; it was proposed to use it for the erection of a memorial and of a considerable number of cottages. Some of the cottages would be reserved for the disabled men of the King's Own Regiment and after that for men

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incapacitated by the war. A hostel for unmarried men is to be provided and workshops are to be built to employ those men who are unable to follow their previous employment. Obviously, the scheme is only of interest as indicating one form of providing a local memorial.

At Longniddray, near Edinburgh, a small garden village was started in 1918 by The Scottish Veterans' Garden City Association. It is maintained by private contributions. Memorial cottages are erected by churches and schools in this village. This is a good form of memorial and cities and towns should be encouraged to honour the memories of the soldiers that have fallen by improving the housing conditions of the families they have left behind.

Miscellaneous Proposals

The West of Scotland Agricultural College offered a prize for the most suggestive scheme for the training and employment, especially in rural occupations, of discharged and disabled soldiers and sailors. The prize was won by Mr. Thomas Young, F.S.I., and Mr. W. R. Young, C.E. The scheme suggested regeneration of the *present* rural villages, on the basis of a survey to be made under the auspices of the county authorities. It was proposed to settle 4,000 ex-service men in eighty villages, allowing fifty for each village.

The advantages of this scheme were that it did not need new legislative machinery. It did not segregate the soldiers in special colonies; it did not mean the creation of entirely new communities but additions to existing organized units of population; and it had in view the intensive cultivation of land round small centres rather than purely rural holdings. It was considered that the advantages of social intercourse or co-operation could be obtained in this way, better than by creating new villages or scattered settlements. Although well favoured, no action followed.

The Garden Cities and Town Planning Association also proposed a scheme for discharged soldiers and sailors in 1916. It did not introduce any new features and no action was ever taken to put it into effect.

It is difficult to draw any conclusion from what is being done in England in connection with government housing for the reasons that conditions in Canada are so different and the housing shortage is not so serious. Land is cheaper, in the average English city than in the average Canadian city. The cost of developing land is less in England, as they do not make their streets so wide and make their schemes conform more to the topography of the land than we do in Canada. Non-traffic residential streets, as narrow as 10 feet, are made to serve where we have 66 feet in Ontario. The former is too narrow and the latter is too wide for residential streets not required for main thoroughfares. Building materials are scarcer in England. The cost of building has increased about five times in England since 1914, whereas in Canada, it has increased from three to four times.

There is a Rent Restriction Act in force in England which has kept rents low but practically killed private building enterprise till the government offered the subsidy to the builders.

There is no intermediary government authority between the National Government and the municipality such as we have with the Provincial Governments of Canada.

The tenancy system in England requires entirely different treatment from the ownership system in Canada.

Some general conclusions, however, come to the surface, no matter what the difference in conditions or problems. The English Government probably has had more experience, over a large period, than any other national government in housing administration and their tendency is to enlarge rather than to diminish their responsibilities in this connection. With financial liabilities greater in proportion to those of the Canadian Government they are facing a dead loss of at least \$1,000,000,000 in erecting 800,000 houses which will provide for a population equal to half that of Canada.

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Canada has granted a loan of \$25,000,000 at five per cent. The loss on this loan may not exceed one per cent, or \$250,000, to which has to be added about \$50,000 to cover cost of administration, making \$300,000 in all, for a country having about a seventh of the population of the United Kingdom. On the other hand, Canada has given much higher remuneration to its soldiers while on service and has been more liberal in its allowance to disabled men and to the dependents of men who have died. This is probably a better method of compensating soldiers because it has less of the features of charity than a subsidized housing policy.

Land Settlement Schemes in England.

There have really been no outstanding successes in settling men on farms in England under government organized schemes. It costs the government a great deal to maintain machinery for the purpose of encouraging the development of what are known as "small holdings" and, on the whole, the results do not appear to be financially satisfactory. In connection with returned soldiers, the Land Settlement scheme of the Ministry of Agriculture is under the direction of Sir Lawrence Weaver. In an interview with him, I asked to what extent the government had promoted colonies or model villages in connection with the Land Settlement schemes. He said that one or two schemes had been started, on a co-operative basis and although not failures, had not been so successful as they had hoped. They had no scheme which consisted of the creation of a model village near to an existing centre of population, although in England the rural districts are not in any place very remote from large centres. He indicated that the chief difficulty was not to get men with capital to go on the land but to get suitable land at a reasonable price.

On June 30 last, they had applications in England and Wales for 661,386 acres from 38,085 applicants, all of whom were ex-service men. Of these applicants, 16,337 had been approved, after interview, but not provided with holdings; 7,325 were provided with holdings since December 18, 1918, and 7,878 were waiting for interview. The demand by ex-service men meant that they could not meet any demand from other classes of men. For instance, young men who, for national reasons, had been kept at home to engage in agriculture might be regarded as the best kind of men to have as small holders, just as they would be suitable as potential farmers in Canada. Their cases, however, would not be considered in England, under present conditions, because the demands of the ex-service men had first to be met.

The experience of Sir Lawrence Weaver and others in England is that agricultural colonies can only succeed, as co-operative or community enterprises, on the richest land, and where good management is obtained. The rich land enables intensive culture to be developed and the advantages of co-operation for disposing of the produce of small farm holdings producing fruits and vegetables and dairy produce are very great. The management factor in these enterprises is, however, of vital importance and the difficulty of obtaining good managers is one of the things that prevents more general development of such enterprises. It is not merely executive ability that is required but a sense of honesty of a very high grade which is required to deal with a public enterprise.

At different times in the past, schemes have been promoted by the Salvation Army, by Mr. Fels and the Local Government Board in England and Wales for the purpose of experimenting in community forms of land settlement. The Local Government Board started a scheme at Hollesey Bay where they purchased a large estate with the object of training indigent men into farm labourers and did not succeed.

* Considering the effort as applied to the promotion of purely agricultural colonies, the results cannot be regarded as successful in England. The greatest success has been achieved by the development of individual holdings where the nearest approach to ownership was given in the system of tenure and where co-operation was secured by the

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joint and voluntary action of the individual farmers. The farmer has suffered greatly in England from want of co-operation, but apparently he is not prepared to sacrifice his independence even if he gains advantages.

In Canada, the land settlement schemes inaugurated since 1917, have been comparatively successful and have relied largely on cultivating the individual enterprise of the men. Communal features have not been successful in England and there is ground for the belief that they would not be successful in Canada. Greater effort should be made in both countries to encourage co-operation, closer settlement, classification of land and the preparation of plans of development, but socialistic features in the establishment of communities, whether agricultural or industrial, should be avoided. To apply scientific methods to land development so as to provide facilities, better social opportunities and co-operation, does not involve the application of objectional socialistic features. On the contrary, they are necessary as a foundation for successful individual enterprise, and past experience in Canada has shown that without them we cannot obtain permanent and successful settlement.

The study of land settlement schemes of a purely agricultural character in comparison with garden city schemes like Letchworth, where both agricultural and industrial development are combined show that the latter is the sounder and likely to be the more durable form of enterprise. It is disappointing, therefore, that so far no efforts have been made in Canada, or in England, by the Government to promote urban communities or garden villages where manufacturing and agricultural industries are developed side by side.

CONCLUDING REMARKS AND RECOMMENDATIONS

The general conclusion at which I arrive, as a result of further studies of the English schemes, is that the garden city scheme which combines manufacturing with intensive culture of small farms is soundest in principle and on the whole is most successful in practice.

The recommendations made in *Rural Planning and Development*, as quoted on pages 562-3 of this report, indicate that I cannot agree with Mr. Mowat's general view as to the need in Canada for model communities being established near to existing industrial centres. While the English schemes afford guidance as to the principle it is best to follow, we should, of course, have to apply different methods to meet the peculiar conditions we have in Canada.

It is undesirable to take up time in preparing an outline for a definite scheme until some indication is given that the Government would be prepared to assist in promoting some form of garden city enterprise on the lines advocated. There will be general agreement with the view of the Prime Minister that any such scheme should be free of communistic features and should be so designed as to give the fullest encouragement to individual enterprise. This enterprise could only be encouraged by a system based on home ownership instead of tenancy. In order, however, that such a scheme should succeed, it will be necessary to introduce and promote some form of co-operation and provide facilities for social intercourse and recreation. Co-operation and community development, up to a point, are constructive individualism and up to that point these things are essential to secure the establishment of a successful community. The Minister of Health, the Hon. J. A. Calder, stated that he did not question the practicability or ease with which the Government could establish model communities and indicated that the question was one of money.

In making recommendations one has not only to consider what kind of scheme is likely to be most successful but also what is most expedient for the Government to do, with the many demands upon it and its comparatively limited resources. There is no question in my mind that successful communities could be established and that their establishment would be of immense value to the country, as well as a valuable contribution towards the settlement of returned men in productive industry and under

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satisfactory living conditions. From \$5,000,000 to \$25,000,000 could be profitably used to create two or three colonies in different parts of the country. The real question, however, that confronts the Government and, therefore, one that must influence whatever recommendations are made to them, is whether the money can be used to better advantage in this particular way than in some other way that the Government has under consideration.

Mr. David Loughnan, Editor of the *Veteran*, makes some definite suggestions in the October number of the *Veteran* which should be considered simultaneously with Mr. Mowat's proposal. If possible the two schemes should be merged into each other so as to bring one definite and widely supported proposal before the Government through your Committee.

I append. (Appendix "B") Mr. Loughnan's "Suggestions for Soldier Housing." If the organization which Mr. Loughnan represents were to reduce the sum of \$50,000,000 to \$25,000,000, and include a recommendation that part of this sum was to be used for creating two model villages, one in the neighbourhood of Montreal and one in the neighbourhood of Toronto, this would combine the two projects in one although it would not give you all that Mr. Mowat desires in the way of a garden village in each province. When the \$25,000,000 was exhausted it would be time enough for the Government to consider the question of giving a further \$25,000,000 and probably it would be more satisfactory to have two schemes carried out on the lines proposed next to the biggest centres in Canada before embarking on further schemes.

The Government might, naturally, object to allowing money to be used for making more than one or two experiments in the districts where their success would be most sure. Such schemes require special management and there are certain to be mistakes made in the first schemes. It would be well, therefore, to have concentration of management on one or two schemes and to go far enough forward with these so that in subsequent communities the experience gained could be put to advantage.

In any case, I do not think it is desirable to promote the same kind of scheme in each province. For instance, I do not think the Maritime provinces are ripe for a large industrial development until they see an object lesson created elsewhere. The best thing to be done at present in the Maritime provinces is to make a survey of the existing villages and provide some money for returned soldiers for the erection of houses in those places that need more labour. In the case of Quebec and Ontario I think there is no question that industrial villages could be made immediately successful near to the cities of Montreal and Toronto. In the prairie provinces probably it would be better to confine the Government expenditure to rural development or possibly the erection of dwellings in connection with new mining developments. The conditions are not such as to encourage the hope that a new industrial community could be successfully established near to the western capitals. In the case of British Columbia there is scope for a successful development at Kamloops. This matter has received considerable study locally. The proposed site is an admirable one for the building of a town in the midst of a rich, although comparatively small, fruit valley. There are natural resources and transportation conditions that make Kamloops a convenient centre for industries. Its climate is especially adaptable for those with weak lungs, and returned soldiers who had been discharged after suffering from tuberculosis would find it an ideal situation.

Bulletin No. 32 issued by the Federal Board for vocational education of the United States deals with "The Agricultural and Industrial Community for Arrested Cases of Tuberculosis and their Families." It is written by Dr. Pattison, who says that the evidence is overwhelming that the campaign against tuberculosis has not yet developed adequate plans and facilities for the post sanitarium treatment of patients. The attitude taken by the Department of Soldiers Civil Re-establishment

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in the case quoted by me in this report appears to show that the absence of these plans and facilities is not sufficiently appreciated even in the highest and best informed quarters in Canada. Months and years are sometimes needed to permanently arrest the disease. Is it not owing to the returned men that we should give them the facilities needed to accomplish a complete cure from the disease contracted in war service? The rich in the United States have Saranac, Colorado Springs, Albuquerque, and Phoenix. At Kamloops, we could develop a health resort suitable for the well-to-do, but especially designed for the returned men. Farm colonies are advocated by Dr. Pattison and eminent authorities whom he quotes. His principal recommendation however is that a model industrial settlement be created and developed according to modern ideas of town planning for an ultimate population of 4,000, and providing special facilities for men who have had tuberculosis. Industries of a light character should be started, such as printing.

The British Medical Journal of December 21, 1918, says that it is agreed that the establishment of farm and industrial colonies where sufferers from tuberculosis can be properly housed and profitably employed, is urgently needed.

The following is a summary of my conclusions which I respectfully submit for your consideration:—

1. That the proposals of the G.W.V.A. should be considered; a joint conference held between the representatives of the G.W.V.A. and those members of Parliament who are interested in model community development and that one joint scheme be submitted to the Government in which the advantages of both schemes will be included.

2. That the sum of money asked for should be the smallest amount which it is thought would be needed in the next two years, but that it should be sufficient to enable individual loans to be granted to returned soldiers making direct application to the Soldier Settlement Board plus sufficient to establish three model community settlements. In this matter co-operation with the provincial authorities would be desirable.

3. That the proposal to establish communities be confined to three definite schemes: one to be in the neighbourhood of Montreal; one in the neighbourhood of Toronto and a third at a place like Kamloops having natural advantages and good railway facilities without necessarily being near to a large centre of population.

4. That it is desirable for the Government to decide the principle whether or not such schemes should be assisted by Government money and to what extent this should be given before definite schemes are worked out.

5. That it is not desirable to limit those who would live in these communities to returned soldiers so as to give the impression that they are a segregated class of the community. The returned soldiers should be given special privileges but the aim should be to make it a mixed community, at least to some extent.

I have the honour to be,

Yours faithfully,

THOMAS ADAMS,

Town Planning Adviser.

APPENDIX "A."

LINDENLEA GARDEN SUBURB, OTTAWA

One of the most interesting developments under the Canadian housing scheme is that of the Lindenlea Garden Suburb at Ottawa. An estate of 22 acres has been acquired by the Ottawa Housing Commission in a beautiful suburb of the capital city and has been planned by the Town Planning Adviser to the Dominion Government, on modern town planning lines.

The estate is well wooded and most of the trees are being preserved. The rectangular method of subdividing residential property has been abandoned and for

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aesthetic and economic reasons the contour of the land has been followed instead. The main feature of the street plan is a diagonal road called Rockliffe Way, a roadway 66 feet wide the whole of its length. This will form the main artery and will be an attractive driveway fringed with open spaces and trees. Residential streets have been planned with a view to economy and beauty and pavements will not be wider than is necessary to carry the small traffic that is incident to such streets. Air spaces will be provided by front gardens and boulevards and by restriction of the density of building area. There will be provision for 168 houses most of which have already been built. The average cost of the lots per square foot works out at 12.8 cents. Ample provision is made for open spaces and playgrounds. There will be tennis courts and bowling green, a small public park, children's playground and wading pool and such questions as the orientation, opportunities for obtaining light and air, privacy and garden space with sufficient open spaces reasonably accessible, have been studied with as great care as the problem of sanitation and other engineering.

The estate commands beautiful views of surrounding country each of which has been studied with a view to adequate conservation and there is little doubt that when fully developed the Lindenlea Garden Suburb will form one of the most attractive developments in North America. The estate was bought at the rate of \$3,000 an acre and the lots are being sold at from \$450 to \$600 each.

LINDENLEA

Area—22.458 acres.

No. of Lots—168

Average price—\$457 per lot. 12.8 cents per sq. ft.

Percentage of area in lots—64.6.

Percentage of area in streets—22.9.

Percentage of area in open spaces—12.5.

APPENDIX "B"

SUGGESTIONS FOR SOLDIER HOUSING

1. A sum of \$50,000,000 to be set aside as a Federal Housing Loan to ex-service men and dependents.

2. A fund to be administered by the Soldier Settlement Board, thereby obviating the necessity of much new departmental machinery, and reducing administration costs.

3. Loans, not exceeding \$5,000, to be made direct to applicants. This sum to include purchase of lot and all incidentals, the object being to encourage the building of serviceable homes at a minimum of cost rather than the erection of expensive houses.

4. Government purchase through the Soldier Settlement Board or through the Purchasing Commission, of all building material, such as lumber, cement, bricks, shingles, flooring, doors, windows, furnaces, hardware, etc., consideration in such purchases being paid to (a) manufacturers and producers quoting low prices on wholesale orders; (b) purchase of supplies at nearest point to actual building operations. The object being to reduce transportation charges as far as possible, and to cut out jobbers' profits.

5. Standardization of building plans; i.e., preparation by the Town Planning Department of the Commission of Conservation of a series of suitable dwelling houses, providing for climatic conditions and cost requirements. This would eliminate architects' fees, ensure practical construction and accelerate construction.

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6. Government supervision, through the Soldier Settlement Board, of all building contracts, costs, etc., provision being also made for the employment of ex-service men by contractors as far as possible.

7. Purchase of land, except when owned by applicant, to be undertaken by the S.S.B. in co-operation with the Town Planning Department, thereby ensuring scientific community development.

8. Provision for the purchase of approved and properly valuated houses already built, as is done by the S.S.B. in farms. Loans to be available for advance on mortgages not exceeding 90 per cent of the total value of the property.

9. Repayment of loans to be spread over a period not exceeding thirty years, payable monthly. Rate of interest not to exceed six per cent.

10. Fire insurance on houses to be effected through the Returned Soldiers' Insurance Act (Pension Commission) at a minimum rate.

11. Small loans—to be deducted from the total building loan—to be available for the purchase of essential furniture in exceptional cases of need.

EXHIBIT No. 12

(B) Submitted by Mr. Thomas Adams—Re Federal Housing Project

REPORT OF HOUSING AND TOWN PLANNING ADVISER

Commission of Conservation

Submitted with evidence given before the Parliamentary Committee on Pensions and Re-establishment.

April 28, 1921

Gentlemen,—

I have the honour to report as follows with reference to housing in Canada with special regard to the history and working of the Federal Housing Project, under which the Federal Government appropriated a sum of \$25,000,000 for the purpose of granting loans to the provinces to assist in providing housing accommodation.

The loan has been administered by the Finance Department in co-operation, first with the Housing Committee of the Cabinet up till the time when the Department of Health was created and since then, in co-operation with the Department of Health. It has been my duty to co-operate with and assist these departments.

The Granting of the Loan

Prior to December, 1918, the Federal Government of Canada had taken no action of any kind in advancing money for the erection of houses in Canadian cities and towns or in undertaking any advisory work as to the kinds and types of houses that should be erected.

The improvement of housing conditions has always been looked upon as a provincial and municipal question and is still so regarded. At the conclusion of the armistice, it was pointed out to the Federal Government, however, that it would be proper for the Government to assist the provinces by a loan of money for the purpose of providing houses for returned soldiers, and working men generally, thereby helping to overcome the shortage of dwellings which resulted from the war and incidentally relieving unemployment.

The Prime Minister, Sir Robert Borden, called a meeting of the Premiers and other Members of the Governments of the several provinces. Among other questions

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which arose in the discussions was that of creating better housing conditions for the industrial population of the larger centres. It was observed that there was a practical cessation of building operations causing a great scarcity of housing accommodation in most of the cities, and that this condition had become intensified with the return of the soldiers from overseas.

In the Orders-in-Council referring to this matter, it was stated that some of the provincial governments were considering the adoption of a policy of making loans to municipalities to assist in erecting houses. This statement referred to a proposal of the Ontario government to provide \$2,000,000 for the above purpose. The Manitoba Government has also taken statutory authority to raise, by way of loan, a sum or sums not exceeding \$1,000,000 in any one year for housing, and under this authority has already borrowed \$1,000,000. The Federal Government, looking upon the matter as of national importance, agreed to make loans to the provinces and fixed the aggregate amount to be loaned at \$25,000,000. It was decided to lend the money for periods of 20 years and, in special cases, of 30 years, and to fix the rate of interest at five per cent per annum, payable half-yearly.

Cost to Federal Government.

At that time the Government was probably paying about equivalent to five and one-half per cent on the money it was raising and it may be reasonable to estimate that the cost of the money, including all charges, would be six per cent. Thus the Federal Government agreed to give a loan of \$25,000,000 at a loss of approximately one per cent—or a money contribution—in addition to the cost that would have to be incurred in administrative expenses equivalent to \$250,000 if the total amount were borrowed.

Assuming that the gross cost of administration may ultimately reach a sum of \$50,000, the total expense incurred by the Federal Government in connection with a housing scheme will be \$300,000.

Early Administration.

For the purpose of administering the loan a Committee of the Cabinet was appointed consisting of:

Hon. Mr. Rowell, President of the Privy Council;

Hon. Mr. Robertson, Minister of Labour;

Hon. Mr. Maclean, Vice-President of the Reconstruction and Development Committee of Canada;

Hon. Mr. Crerar, Minister of Agriculture.

The Honourable Mr. Rowell to be Chairman of the Committee.

This Committee was instructed to formulate the general principles which should be followed in housing schemes; to communicate with the governments of the several provinces and to do and perform all such further acts as might be necessary to carry out the Government project.

It was also recommended in the Order-in-Council appointing the Committee that Mr. Thomas Adams, the Town Planning Adviser to the Commission of Conservation, be invited to assist and co-operate in carrying on the work.

Work of the Housing Committee of the Cabinet.

After numerous sittings, the Housing Committee of the Cabinet made a report, through the Committee of the Privy Council, dated February 18, 1919. In this report, which was adopted by the Government and issued as an Order-in-Council on February 20, 1919, the general principles to be followed in any housing schemes were formulated. These principles and certain mandatory conditions had previously been submitted to the governments of all the provinces and generally approved by them.

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The report of the Committee, as subsequently endorsed by Order-in-Council, stated that the object of the Government in making the proposed loan was as follows: (a) to promote the erection of dwelling houses of modern character *to relieve congestion* of population in cities and towns; (b) to put within the reach of all working men, *particularly returned soldiers*, the opportunity of acquiring *their own homes* at actual cost of the building and land acquired at a fair value, thus eliminating the profits of the speculator; (c) to contribute to the general health and well-being of the community *by encouraging suitable town planning and housing schemes*.

It was pointed out that the provision of houses, so far as it might be regarded as a public duty, was a matter which came more properly within the jurisdiction of the provinces and municipalities, but that, as the Federal Government had been invited to lend money, it was necessary to impose certain conditions under which the money would be used. These conditions were limited to four in number but certain standards in regard to the construction of dwellings and planning of sites were made the subject of recommendation. In a subsequent variation of the scheme permitting cheaper forms of construction, some standards were imposed as compulsory, but only in cases where this cheaper form of construction was adopted.

It will be observed that the object of the Government was partly to relieve congestion of population. It may, therefore, be taken that this meant that some attention should be given to the erection of the dwellings in the open surroundings of cities, rather than in the congested centres. It is also to be noted that among the objects were to give preference to returned soldiers and to discourage speculation, and to encourage suitable town planning as well as the erection of dwellings.

Mandatory Conditions.

The four conditions on which loans were agreed to be granted may be summarized as follows:

1. A general housing scheme had to be prepared by each province and submitted for the approval of the Federal Government. This general scheme had to set out the standards and conditions to be complied with in local housing schemes. Once, the general scheme for the province was approved by the Federal Government, the jurisdiction in respect of local schemes would rest with the provincial authorities.

2. The maximum amount authorized to be loaned per dwelling was not to exceed, for different sizes and types of dwellings, inclusive of land, etc., the respective sums of \$3,000, \$3,500, \$4,000 and \$4,500. (These sums have since been varied to \$3,500, \$4,000 and \$4,500).

3. Loans could be granted only, for building houses and purchasing land, to Provincial Governments, Municipalities, Housing Societies with limited dividends and owners of lots for the purpose of erecting houses for their own occupancy.

4. The loans were to be repayable over a period of 20 years, or in special cases, of 30 years.

What the general housing scheme of each province should include in the matter of standards was, therefore, left to the discretion of the province so long as it prepared a scheme and obtained the approval of such scheme from the Federal Government. It is difficult to conceive any simpler or less arbitrary conditions being attached to any loan than those above summarized. Obviously, the intention was to leave the utmost discretion to the provincial governments, subject to their preparing a scheme and to limiting the loans to a specified amount and for a specified period.

In any subsequent difficulty that has developed in execution of the schemes, it will probably be found that it has been due either to misunderstanding or to the provincial regulations not being adaptable to meet local conditions. It is true that the Federal project required that the scheme of each province should include a schedule of minimum standards in regard to grouping of houses, provision of open

spaces, sizes and heights of houses, sizes and heights of rooms, provision of light and ventilation, heating and lighting, character of materials, etc., which it was proposed should be enforced as the minimum requirements of health, comfort and convenience. But this did not stipulate what these standards should be so that no responsibility is attached to the Federal Government if in any case the standards were made too idealistic to meet the practical needs of any locality. In practice, the provincial schemes were all approved by the Federal Government without any modification.

In regard to the maximum cost of dwellings, the amounts of the loans named were fixed with special regard to the cost of constructing four, five, six and seven roomed dwellings at the time the loan was granted. These costs had also to have some relation to the capacity of working men to pay the interest and sinking fund out of their earnings, as the object was to facilitate the erection of dwellings for working men, particularly returned soldiers. In order to meet such contingencies as increased cost of erecting houses or cases where persons desired to invest some of their own money in order to get a better home, it was stated that the above figures of \$3,000 to \$4,500 related to "the amount which may be loaned per dwelling" and not to "the cost of the dwelling." Thus, a man might erect a house costing \$6,000 and yet be able to obtain a loan of from \$3,000 to \$4,500. In Quebec, these sums were made to relate to the cost of the dwelling* and not to the amount of the loan and this has discouraged borrowers from taking advantage of the loan in that province.

In the original condition specifying the maximum cost of dwellings, it was provided that \$3,000 could be lent on houses of four or five rooms and \$4,000 on houses of six or seven rooms, erected of frame, stucco and frame, or brick veneer, inclusive of the value of the site and necessary local improvements. It was desired to permit this kind of construction where the person erecting the house could not afford more durable construction. The larger sums of \$4,000 and \$4,500 were authorized to be lent on houses erected of brick, hollow tile, stone or concrete with roofing of fire-proof materials. (Order-in-Council 639 (1920.))

Owing to the increased cost of lumber, it was found in practice that the amount of saving which could be effected by building wooden frame construction was comparatively small and was not so great as the difference between \$3,000 for a five-roomed frame house and \$4,000 for a five-roomed house of solid brick. Nevertheless it was considered desirable to encourage the erection of the more permanent home by allowing a somewhat larger loan in proportion to cost for that class of construction. As, however, prices increased during 1919 more rapidly than had been anticipated, an amendment was made to the Federal Housing Project to allow of larger loans being given for frame construction under special conditions.

Under an Order-in-Council dated August 23, 1919, it was authorized that provincial governments could lend up to \$4,000 for a four or five roomed house and \$4,500 on a six or seven roomed house built of cement, stucco of approved construction or of brick veneer and having roofs of wooden shingles or asbestos paper. This authority was granted subject to a new condition, namely, that such houses be detached and erected on lots not less than 3,000 feet in area and at a distance not less than 9 feet from other houses. Under this amendment, it was thus possible to erect stucco and brick-veneer houses with shingled roofing on lots of a width of 30 feet by 100 and to obtain the maximum loan. This is the only case where the Federal Government imposes a condition affecting the standards of construction and space surrounding the dwellings, and it was imposed to permit a variation from the original project desired by the provinces. A second variation in the scheme was made to enable the provinces to lend up to \$3,500 instead of \$3,000 for four and five roomed houses and \$4,000 instead of \$3,500 for six and seven roomed houses, for houses erected of stucco, frame or brick-veneer under the original conditions.

*Section 7, 9 Geo. V, Chap. 10.

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Duplex Houses

For the special purpose of meeting the needs of the city of Montreal, where duplex or cottage-flat dwellings are popular, it was provided that the loans would be granted for such duplex dwellings as well as for those which were detached or semi-detached. Thus, it would be possible, under the project, to build two houses, one on the top of the other on one lot and obtain \$9,000 on loan so long as the construction was of a suitable character.

The difficulty in giving effect to this part of the project was that it was necessary for each separate house to have a separate owner unless in cases where houses were built and owned by the municipality or a housing society with a limited dividend. It would, of course, have been quite improper for the Government to lend money to one person to build two houses and rent one at a speculative profit. It has been suggested that this is a reason why money has not been accepted by the Administrative Commission of the city of Montreal, and for this reason the Federal Government have been asked to waive their objection to lending money to one person to erect a duplex house. There is no practical way, however, by which the Government could restrict the rent which the builder of such a pair of dwellings could obtain from the second dwelling which he did not occupy. In practice he could, and almost inevitably would, charge the utmost rent for the second house that the "traffic" would carry. Thus, as conditions now are in Montreal he could build two houses of six rooms for a cost of say \$10,000, obtain a loan from the Government of \$9,000 at five per cent and rent one of the houses at sufficient to pay the whole interest on the loan. This would place him in the position of getting his own house free of cost, except in regard to interest on his own investment.

Terms of Loans

The two terms of 20 and 30 years provided for the repayment of loans were deliberately included for the purpose of encouraging more permanent construction. It is known that a great deal of loss is incurred in Canada as a result of the destruction of dwellings by fire. Frame buildings with shingle roofs are one of the causes for the heavy fire loss. It was thought desirable, therefore, to encourage the erection of buildings with incombustible materials; secondly, it was realised that the life of the average frame building was not so long as a solid brick building; therefore, it was decided to lend the money for 30 years to those who erected the more permanent class of building if they desired to have a loan for that period. In few, if any cases, has this offer been taken advantage of, probably because the average person does not feel disposed to accept a liability for such a lengthy period. This lack of disposition is regrettable in so far as it may have had the effect of preventing people building with more permanent materials. The repayments which had to be made for a loan of \$4,000 over 30 years were not much greater than those for a loan of \$3,000 over 20 years and the former is the better investment having regard to the greater life of the building and smaller amount of maintenance required.

Recommendations Regarding Standards in Federal Project

As already stated, the general principles and standards recommended in the Federal project were set forth merely for the purpose of guiding the provinces in considering what standards to include in their schemes. In nearly every case the provinces gave special attention to these recommendations and adopted most of them as recommendations to the municipalities. They considered in what respect the recommendations should be varied to suit their local conditions and in no case was any objection by the Federal authorities taken to the making of such variations.

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Only in one case, namely, in the province of Quebec, the recommendations were largely adopted as mandatory conditions attached to the scheme. As practice has proved, this was unfortunate because it imposed too great restrictions on those who desired to take advantage of the loan in that province.

The recommendations related to the acquisition of sites in which regard they referred to the importance of acquiring land at a fair value and by a cheap and speedy method. It was recommended that comparatively large sites should be developed in preference to individual lots and that the sites as well as the buildings should be planned.

The importance of restricting the use of the dwellings for residents was pointed out and in order to insure that the money would be loaned to the class for whom it was intended, it was suggested that no person in receipt of an income exceeding \$3,000 should be eligible as a purchaser.

The need of having sites served with local improvements and of having play-grounds was referred to. Recommendations were also made with regard to the minimum standards to be adopted in connection with streets, sanitary provisions, water supply and drainage and further in obtaining space about dwellings, proper sanitary conditions and ventilation within dwellings and adequate height and size of rooms.

The question of how these recommendations should be interpreted and to what extent they should be adopted was a matter for the provincial governments and their advisers.

With the amendments made the following are the amounts which may be loaned per dwelling under the project as it now stands:—

- (a) Detached or semi-detached dwellings with walls constructed wholly or partly of frame, stucco on frame, brick veneer, inclusive of the capital value of the site and necessary local improvements: with four or five rooms, exclusive of bathroom and summer kitchen, \$3,500; with six or seven rooms, exclusive of bathroom and summer kitchen, \$4,000.
- (b) Detached, semi-detached, groups of three or more, (or duplex cottage flat) dwellings with walls of brick, hollow tile, stone or concrete and roofing of fireproof materials, inclusive of the capital value of the site and necessary local improvements: with four or five rooms, exclusive of bathroom and summer kitchen, \$4,000; with six or seven rooms, exclusive of bathroom and summer kitchen, \$4,500.
- (c) Detached houses with walls of cement, stucco of approved construction, or of brick veneer and roofs of first quality of wooden shingles when laid on asbestos paper, subject to such detached houses being erected on lots not less than 3,000 feet in area and being distant not less than 9 feet from any other houses: with four or five rooms, exclusive of bathroom and summer kitchen, \$4,000; with six or seven rooms, exclusive of bathroom and summer kitchen, \$4,500.

In (c) shingles or clap-boarding could be used for architectural effect on gables and projections of houses, so long as a layer of asbestos paper is placed between such shingles or clap-boards and the sheathing of the building and do not cover more than one-tenth of its total surface. (Order-in-Council 1766, 1919.)

A copy of the Federal project, which comprises the Orders in Council Nos. 2997 and 3067 (1918), 374 and 1766 (1919), is attached to this report.

WORK DONE UNDER THE FEDERAL HOUSING PROJECT

To make the project operative in the different provinces, it was necessary for provincial governments to pass Acts providing for the acceptance of the loan and the

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erection of dwelling houses. The passing of this provincial Act had to be followed by the preparation of a scheme setting out the standards and principles to be adopted in erecting the dwellings for which the loan was to be used.

The following Acts were passed:—

Nova Scotia Housing Act, 1919, chapter 4.

Prince Edward Island.—An Act to provide for the erection of dwelling houses. Chapter 12, 1919.

New Brunswick.—An Act to provide for better housing. Chapter LVI, 1919.

Quebec.—An Act to provide for the construction of workmen's dwellings and for advances to municipalities. Chapter 10, 1919, with subsequent amendment.

Ontario.—An Act to provide for the erection of dwelling houses, 1919.

Manitoba.—An Act respecting houses in urban municipalities, 1919.

Saskatchewan.—An Act respecting housing in urban municipalities. Chapter 45, 1919.

Alberta.—No Act.

British Columbia.—An Act to provide for better housing. Chapter 8, 1919.

Schemes have been prepared following the passing of the above legislation in Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, and British Columbia.

The legislation in Prince Edward Island has remained inoperative because no scheme has been prepared for carrying it out. Thus, eight out of the nine provinces have passed Acts and seven out of these have prepared schemes.

Payments under the Housing Vote were determined on the basis of the population of the various provinces as shown by the Federal Census of 1911, the distribution on this basis being as follows:—

Ontario.. . . .	\$8,753,291 93
Quebec.. . . .	6,949,255 01
Nova Scotia.. . . .	1,707,931 14
New Brunswick.. . . .	1,220,710 53
Manitoba.. . . .	1,580,534 79
British Columbia.. . . .	1,361,521 59
Prince Edward Island.. . . .	325,144 45
Saskatchewan.. . . .	1,708,257 23
Alberta.. . . .	1,299,714 03
Northwest Territories.. . . .	64,110 99
Yukon.. . . .	29,528 31
	<hr/>
	\$25 000,000 00

Payments up to the end of February, 1921, have been made as follows:—

Manitoba.. . . .	\$1,580,000 00	in full
New Brunswick.. . . .	1,220,000 00	"
Ontario.. . . .	8,750,000 00	"
British Columbia.. . . .	1,361,500 00	"
Quebec.. . . .	1,333,500 00	part payment
Nova Scotia.. . . .	600,000 00	

There is a balance due the provinces of Quebec and Nova Scotia of \$5,915,755 and \$1,107,931 respectively, and it is expected that the greater portion of these balances will be called for during the present year.

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No applications have been received from the other provinces but the estimates for 1921-22 recently submitted to Parliament contain a revote of the unexpended balance of the \$25,000,000 so that should an application be received there will be authority to make the advances.

PROVINCIAL HOUSING SCHEMES

Nova Scotia

The Nova Scotia Provincial Housing Scheme was approved by Order-in-Council dated 14th August, 1919. No amendments were suggested in the scheme submitted by the province. The recommendations made by the Federal Government were adopted as recommendations to the municipalities but were not made mandatory.

New Brunswick

The same observations apply as to Nova Scotia.

Quebec

The scheme as originally submitted by Quebec was approved without amendment. It gave special power to the Director of Housing to approve plans and specifications and imposed a number of mandatory provisions regarding standards and principles to be adopted, in this respect being more arbitrary than the scheme of other provinces. An amendment was made and approved by Order in Council P.C. 1090 under date May 15, 1920.

Ontario

The housing scheme of Ontario was approved without amendment by the Federal authorities. It provided for certain requirements regarding sanitation and space about buildings, but did not put forward the recommendations contained in the Federal project. It left most of the standards and principles to be subject to the approval of the Director of Housing.

Manitoba, Saskatchewan and British Columbia

The same observations apply as to Nova Scotia.

It will thus be seen that the schemes prepared by the different provinces were each approved by the Federal Government as they all complied with the four conditions set forth in the Federal Housing Project.

GENERAL PROGRESS IN HOUSING

More than two years have passed since the Federal loan was granted and the progress made in different provinces may be said to correspond with the activities shown in administering the Act and with regard paid to the local conditions.

There has been a shortage of houses in the whole of Canada, but the greatest shortage was in the large cities, particularly of Montreal, Toronto, Winnipeg and Vancouver. There have been no serious objections raised to the granting of a loan or to the operations under the project. Some suggestions have been made that the granting of the loan involved an interference with the ordinary process of building houses by private enterprise. This objection, however, was not raised by builders themselves and the organization of building industries was one of the most active in urging the loan and has since presented resolutions in favour of its extension. To a large extent private enterprise had ceased to operate in building small houses, and one of the main reasons given for this lack of building was the difficulty of obtaining capital for the purpose.

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It may be pointed out that the beneficial result of the Canadian housing project cannot be measured by the number of houses built.

With the return to more normal conditions of life there are some signs in Canada that the acuteness of the housing situation is passing but the causes of this are mixed in their social significance. Some are natural and wholesome, while others are disquieting in that they indicate a crowding in living conditions that must be considered very bad for both health and morals.

The Federal housing scheme has been a real relief in some cities. By means of it, owners of lots have been able to build houses and others have been able to buy lots at reasonable prices and build houses for themselves by means of the long-term loan.

The shortage of houses has led to many large houses being converted into multiple dwellings or used by two or more families. While to some extent relieving the demand for housing accommodation, this movement has led to serious congestion and danger to health because of limited sanitary accommodation. There are indications that the middle class people are now crowding together because of the difficulty of securing separate houses.

Office buildings and hotels that were closed with the abolition of the bar have been converted into apartment houses and in many cases are quite deficient in sanitary accommodation, adequate light and ventilation.

In some cities there has been a marked exodus of the foreign population, mainly aliens.

Aside then from the new and better housing promoted by the Federal loan and to some extent by private enterprise, it cannot be said that these observations indicate any real improvement in the housing situation in Canada. If the Canadian ideal of the single house for every family should be abandoned as impossible in consequence of the housing shortage, it will be a misfortune to the country. To establish wholesome living conditions there is no doubt that an immense number of working-class houses are required, especially in the large industrial centres. During the war period capital largely deserted the building market, but there are signs that money is once more becoming available for first-class mortgage purposes.

The MacLean Monthly Bulletin Report for this month states that during February the price index of 48 building materials dropped 3.1 per cent, from 347.1 to 336.4, a total decline of 66.6 points or 16.6 per cent from the high-water mark of May, 1920, which reached the index number of 400, taking 100 in 1900 as the base. The figures show that the cost of building materials has steadily risen from the year 1900. By 1907 this index number had advanced to 137; in 1908 it stood at 173; in 1917 at 218; in 1918 at 258; in 1919 at 290; in 1920 at 376, and in May of that year it reached the figure of 400 which is 300 per cent above the prices of 1900.

The month of March witnessed a drop of \$11,408,700 in the amount of contemplated building, the figures being \$28,879,400 compared with \$40,288,100 in February.

The value of construction contracts awarded in all Canada for March was \$10,256,700, compared with \$17,641,000 in February, being a decrease of \$7,384,300, or 40.8 per cent.

These figures, however, have reference to all kinds of building operations. The figures for housing construction were larger in March than in February, both respectively 927 and 544.

During the first three months of 1921 the value of residences started totalled \$8,793,600, compared with \$8,869,200 in 1920 and \$4,295,300 in 1919. The March figures for the Dominion give frame houses 345 at a value of \$1,082,000 and an average cost of \$3,136; brick, 582 costing \$3,499,100, giving an average cost of \$6,012 for brick buildings. Of these dwellings 642 were begun in Ontario during March.

It is stated that the labour cost in building varies from 40 per cent to 50 per cent and in the case of materials from 65 per cent to 80 per cent of the total manufactured cost.

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Present Administration of Federal Project

The administration of the Federal Housing Project, which was formerly dealt with by the Housing Committee of the Cabinet, was transferred to the Department of Health, under the date of 1st November, 1919, and has been administered by the said Department, with my assistance and co-operation as provided for under the provisions of the Order In Council P.C. 3067 of 12th December, 1918.

Recommendations

I recommend that:—

1. The proposals of the G.W.V.A. made to this Committee, to promote housing, education and industrial enterprise by some method, indicate one of the best means to help soldiers to meet unemployment conditions and simultaneously to assist in developing the country.

2. The question of creating two or three model communities in which agriculture and manufacture would be combined, should be carefully considered, with expert aid.

3. The Soldier Settlement Board should be extended into a General Development Board for the country, and to act in co-operation with the Department of Immigration, with added powers and a sum of money, say an additional \$25,000,000 provided for general housing.

4. The Government have first to decide the principle whether further assistance should be given to housing by means of Government money. The principle of giving Government aid for roads and railways means the providing of the means of communication for a population that needs first to have houses to live in, before adequate use can be made of the roads and railways.

Respectfully submitted,

THOMAS ADAMS,
Town Planning Adviser
Commission of Conservation.

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TO THE

PROCEEDINGS AND EVIDENCE OF THE SPECIAL
COMMITTEE ON PENSIONS, INSURANCE
AND RE-ESTABLISHMENT

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